Canada

National Transportation Agency of Canada

Office national des transports du Canada

Annual Review 1988

The First Annual Review of the National Transportation Agency of Canada 1988

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Chairman
National Transportation Agency
of Canada

Président
Office national des transports
du Canada

The Honourable Benoît Bouchard, P.C., M.P.
Minister of Transport
Ottawa, Ontario

My dear Minister:

I have the honour to present herewith the first annual review of the National Transportation Agency of Canada, made pursuant to section 267 of the *National Transportation Act, 1987*, for the calendar year ended December 31, 1988.

Further to your request of October 17, 1988, the report also contains a special examination of the criteria that could be used to identify essential rail networks which would serve the present and future economic development requirements of any given region.

Sincerely,

Erik Nielsen

Erik Nielsen

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EXECUTIVE SUMMARY

The *National Transportation Act, 1987*, the *Motor Vehicle Transport Act, 1987* and the Shipping *Conferences Exemption Act, 1987* brought in a new era of economic regulation for the transportation industry of Canada. This legislative package recognized the importance of transportation in enhancing Canada's competitive edge in the global economy and in promoting the economic growth of its regions. To achieve these ends, specific provisions in the legislation were designed to encourage the development of a new competitive environment, an efficient transportation system that meets the needs of shippers and travellers, and a simplified, accessible and responsive regulatory process.

The Agency's review of the dynamics of the transportation industry in 1988 indicates that the first year of regulatory reform has had a positive impact on the industry's performance and potential.

The broad direction of changes occurring in the structure, operations and marketing of transportation services suggests that the seeds of reform, nourished by a robust Canadian economy, have taken root.

GENERAL OBSERVATIONS IN THE FIRST YEAR OF REFORM

A More Competitive Environment

- Confidential contracting was the principal competitive mechanism utilized by shippers and railways. Over 1,200 confidential contracts were filed with the Agency, representing a wide spectrum of industries. The Agency has established from its Shippers' Survey that over 30 per cent of rail traffic moved under contract in 1988. Seventy-five per cent of rail shippers reported that their contract rates were lower than published rates.

- Over half of the rail users reported that competitive access and dispute resolution provisions were important levers in their negotiations with the railways. One in five shippers indicated that interswitching had a positive impact on their firm.

- The Shippers' Survey indicated that the use of intermodal services went up by about five per cent in 1988. Intermodal services were used, on average, for 15 per cent of shippers' transportation needs. The predominant form of intermodal services reported by three out of four shippers was the truck-rail combination.

- Shippers and carriers both indicated the presence of more trucking firms in all markets in 1988. In the truckload segment, this increased competition came mainly from new entrants; and in the less-than-truckload market, it stemmed largely from the expansion of the operations of existing firms. Increased competition was reported in domestic as well as transborder markets.

- In the airline industry, where deregulation actually began earlier in the 1980's, the development of two large carrier families which link together the operation of national, regional and local airlines has produced two fully-competitive coast-to-coast networks. This consolidation has resulted in intensive competition on heavily-travelled intercity routes and in local-service markets.

- The ranks of independent air carriers grew in 1988 with the addition of new charter carriers and small local-service airlines.

A Move Toward Rationalized Services and Efficient Operations

- In response to the new competitive environment, both CN and CP Rail undertook significant restructuring activities. CN trimmed its balance sheet with the sale of select non-rail assets and the Grand Trunk Eastern line in the U.S.; it ceased rail operations in Newfoundland and announced its intention to abandon its Prince Edward Island network. CP Rail created a new division, Canadian Atlantic Railway, to handle its Maritime operations.

- In the trucking industry, there were consolidations and route structure changes, allowing for broader provision of single line service among regions, and the expansion of operating authorities of established carriers.

- Consolidations and alliances in the air transport industry have intensified hub-and-spoke scheduling which allows major carriers to use their large jets on the higher density intercity routes while their affiliates provide the all-important traffic feed. It also enabled the major carriers to keep passengers on-line for as much of their journey as possible and thereby increase revenues.

- Canada's airlines embarked on major re-equipment programs to provide flexibility in fleet deployment and lowest possible operating costs.

- In 1988, ocean carriers offered comparable sailing frequencies and transit times between Canadian and foreign ports, and many shipping lines introduced larger vessels into service.

An Increased Level and Array of Services for Shippers and Travellers

- Over a quarter of the shippers surveyed reported an improvement in the quality of rail services in 1988. Operationally, both CN and CP Rail cut the length of many of their trains to improve their on-time performance. Both railways are also trying to improve their intermodal services.

- With regard to air services, all regions of the country experienced increased service levels in terms of additional flights, capacity and competition.

- The air cargo industry offered increased capacity and convenience through expansion of its route networks, additional frequencies and new equipment.

- In terms of trucking, the vast majority of respondents to the Shippers' Survey reported that services provided by for-hire trucking firms had improved or remained stable in 1988. Shippers also rated very highly the services provided by the truckload and less-than-truckload sectors.

- Shipping lines serving Canada introduced new equipment as well as altering sailing schedules and space chartering agreements.

The Maintenance of Safety Standards in Transportation

- With respect to 1988, there was an improvement in the train accident rate. The accident rate for Canadian commercial air services remained almost unchanged since 1983.

Responsive Turn-Around Times for Regulatory Processes

- There were 185 applications for new or amended domestic air services to, from or within northern Canada. Forty-six of these (25 per cent) were processed within 90 days and the majority, 117 (63 per cent), took between 90 and 120 days.

- About 70 per cent of applications for authority to operate domestic services in southern Canada were processed in 30 days or less.

- The statutory requirement to issue air licences by December 31, 1988 to replace those that had been issued pursuant to the previous legislation was completed. A total of 1,638 domestic and 1,376 international replacement licences were issued.

- The Agency received and dealt with 278 formal and informal complaints regarding numerous aspects of services provided by air carriers. It took an average of 57 days to handle these cases; 59 of these were dealt with in less than 15 days.

- About 35 rail-related complaints or applications plus over 40 Ministerial referrals regarding service-related matters were dealt with by the Agency. The majority of these cases were completed within the statutory time limits while a few are still in progress.

- The Agency received 41 complaints respecting transportation services for the disabled, 60 per cent of which were dealt with in less than 2 months.

There are promising results after the first full year of regulatory reform; however, it is too soon to assess the full impacts of the reform. This is evident in the lack of familiarity with the new legislation noted in the transportation community, particularly among users.

INTRODUCTION

ANNUAL REVIEWS

The National Transportation Agency must review the operation of the new transportation legislation and report to the Minister each year for four years.

Canada's new transportation legislation — the *National Transportation Act, 1987* (NTA), *Motor Vehicle Transport Act, 1987* (MVTA) and *Shipping Conferences Exemption Act, 1987* (SCEA) — was designed to promote a more dynamic and competitive transportation environment. Economic regulation has been reduced with the aim of developing a transportation network that serves the needs of shippers and travellers and promotes economic growth in all regions of the country.

Specific provisions in the legislation ensure that an assessment of the effectiveness of the legislation be made on a continuing basis.

The *National Transportation Act* requires annual reviews for the years 1988 to 1991 and that the Agency provide the Minister of Transport with its review by May 31 of each year. The Minister must then table the review in the House of Commons and the Senate within 15 sitting days. Once tabled, the reviews are made public. In addition, a comprehensive review will be carried out in 1992.

The reviews are intended to inform the government how the legislation is working.

SCOPE OF THIS ANNUAL REVIEW

The annual review must consider both national and regional impacts of all legislation pertaining to the economic regulation of transportation. The *National Transportation Act* identifies several specific matters to be considered. These include:

- changes in prices and levels of service offered to shippers and travellers;
- changes in structure, performance and employment levels in the transportation industry;

- the new Agency's record in handling complaints, applications, etc.;
- effects of "competitive line rates" on railway companies;
- abandonments of railway lines.

The Minister of Transport may also refer additional matters for the Agency to consider in the annual reviews. For the 1988 review, the Minister requested the Agency to include an examination of criteria that could be used to identify rail networks essential to the economic development of any given region in Canada.

HOW THE REVIEW WAS CONDUCTED

This review is based on information from a comprehensive array of government and industry data sources, supplemented by an extensive survey program.

Since this was the first review to be conducted by the Agency, considerable emphasis was placed on developing monitoring tools which would provide reliable and comprehensive information on transportation in Canada.

Consultations were held with corporations, associations, groups and governments to make them aware of the Agency's review function and to invite their cooperation and participation in the process.

Agency staff reviewed existing government and industry information sources to determine what new information would have to be gathered. Because the situation was found to be different for each mode of transportation, the Agency tailored its monitoring plan to each mode taking into consideration concerns about timeliness, confidentiality and completeness of existing information.

The latest available institutional data were provided by many government departments and agencies, even though figures were often in preliminary or year-to-date form. These departments included Statistics Canada, Transport Canada, Consumer and Corporate Affairs, Labour Canada, Canada Labour Relations Board, Investment Canada, Office of the Superintendent of Bankruptcy, Ports Canada, Canadian Aviation Safety Board, and the Agency itself.

Industry sources were primarily the carriers — railways, airlines, trucking and marine transport companies — as well as information from the Official Airline Guides and Airline Tariff Publishing Company.

Numerous consultations were held with shippers, carriers, provincial/territorial governments, industry associations, consumer groups and other parties. Some interested parties submitted their assessment of the impact after a year of reform to the Agency's attention.

Contracted studies were arranged with the Atlantic Provinces Transportation Commission, Transmode Consultants, and the Canadian Industrial Transportation League.

The almost total lack of current information on transportation users led to the development of the Agency's survey program, covering shippers, freight forwarders, shipping conferences, motor carriers, air travellers, travel agents and northern communities.

The 1988 Shippers' Survey targeted shippers using all transport modes and was carried out with the cooperation of 19 industry associations:

Canadian Chemical Producers' Association

Canadian Exporters' Association

Canadian Fertilizer Institute

Canadian Importers Association

Canadian Manufacturers' Association

Canadian National Millers Association

Canadian Pulp and Paper Association

Canadian Shippers' Council

Coal Association of Canada

Council of Forest Industries of British Columbia

Grocery Products Manufacturers of Canada

Mining Association of Canada

Motor Vehicle Manufacturers' Association

Propane Gas Association of Canada Inc.

Retail Council of Canada

Ontario Petroleum Association

Quebec Lumber Manufacturers' Association

Quebec Mining Association

Sultran

A strong response rate produced almost 600 returns, resulting in a shipper information base covering all major primary and manufacturing industries and over 10,000 production, distribution and/or retail facilities. It also provided a representative sampling of shippers by region, modal use, and size of firm.

Air transport surveys were distributed to members of the Commercial Travellers' Association (CTA), travel agents belonging to the Alliance of Canadian Travel Associations (ACTA), and representatives of communities and Indian bands located in northern Canada. More than 1,800 responses were received, providing a valuable reading of Canadian views on the prices, service levels and quality of air services.

The review for trucking was conducted both in person and by mail.

An extensive interview program covered over 100 motor carriers, as well as provincial, regional and national trucking associations, provincial licensing boards and transportation ministries, tariff boards, and owner/operator associations. Provincial governments and trucking industry associations were consulted in the selection of carriers to ensure a representative sampling.

Marine surveys on SCEA-related issues were completed by all shipping conferences serving Canada on major trade routes. Another survey, conducted with the endorsement of the Canadian International Freight Forwarders Association (CIFFA), produced a substantial representation of that segment of the industry.

Consultations with northern shippers using resupply services in the Athabasca and Mackenzie systems were supplemented with a questionnaire sent to northern communities, Indian bands, federal and territorial governments, and northern businesses.

CANADA'S ECONOMIC PERFORMANCE IN 1988

Canada is a trading nation that must be competitive in international markets to grow and prosper. Accordingly, its transportation system plays a key role in the movement of raw materials and industrial goods over vast distances and difficult terrain to reach foreign and domestic markets. It also plays an important role in the transportation of business travellers and tourists.

The efficiency of Canada's transportation system has a direct impact on the economy; likewise, changes in international and domestic markets that shape the country's overall economic performance inevitably impact on the transportation system.

This overview of Canada's economic performance in 1988 reflects a variety of assessments published by authoritative sources in both the public and private sectors. It sets the context in which the transportation industry operated, and identifies some of the important economic factors that influenced its performance.

Robust growth in the Canadian economy, as well as those of its major trading partners, resulted in strong demand for transportation services in 1988.

Gross Domestic Product

The healthy rate of growth of the Canadian economy in 1988 - largely domestically based - came from business non-residential expenditures and output gains among service-producing industries. Real Gross Domestic Product increased by 4.5 per cent in 1988, a higher rate than expected.

The strong increase in plant and equipment investment, under way since early 1987, was

sustained by the business sector. The strength in investment was bolstered by a strong corporate financial position, capacity constraints in many industries and the solid performance of the Canadian economy. Increased spending was observed in all sectors and most industries in 1988, the most notable turnaround being seen in the oil and gas industry.

The growth in service-producing industries came from community, business and personal services, retail trade and the communication industries.

Capacity Utilization

With the strong pace of activity, capacity utilization was high in industries such as fabricated metal, electrical and non-metallic mineral products, primary metals, and furniture and fixtures. Canada's resource and heavy manufacturing industries operated at high levels.

Following strong growth in 1987, capacity utilization rates for durable goods manufacturers stabilized in 1988. In resource-based manufacturing industries such as pulp, newsprint, steel and petrochemical sectors, further output gains were limited by capacity constraints.

Consumer Expenditures

After stalling in the first quarter, consumer spending picked up with the growth in disposable income, resulting principally from the implementation of Stage One of Tax Reform and the consequent reduction in the average personal tax rates.

The rebound in consumer spending translated into increased retail and wholesale sales.

Inflation

The rate of inflation remained relatively stable in the four per cent range during 1988, with transportation exerting a downward pull on the Consumer Price Index.

Upward pressure on prices came from housing as new housing prices and mortgage interest costs increased. Price increases were recorded for copper and copper products, nickel, zinc and precious metals. Automobiles and paper products also experienced price increases.

Prices of petroleum and coal products, potash and lumber decreased. Notwithstanding the softening in oil prices, inflationary pressures were building up as a result of capacity constraints and tight labour markets.

The increase in the transportation price index (1.9 per cent) indicated a slower growth trend than the one observed in previous years, with gasoline prices and air fares being the main contributors to this trend.

Canadian Dollar

The Canadian dollar rose to its strongest position since 1981. The strengthening of the Canadian dollar resulted from the anti-inflationary stance adopted by the Bank of Canada, buoyant economic activity and rising commodity prices. As a result, the Canadian dollar appreciated against the currencies of some other industrialized countries.

External Trade

Merchandise exports and imports continued to surge ahead in 1988, led by the significant increase in the imports of machinery and equipment attributable in part to the increase in imports of aircraft and other transportation equipment and the rise in imports of other machinery and equipment (e.g. air conditioning and refrigeration equipment, switching and protection mechanisms, and furniture and accessories).

The exports of automobiles, trucks, newsprint and wood pulp recorded the highest levels and largest increases in 1988. Exports of aluminum and precious metals increased; the strong performance of these sectors was accompanied by higher prices. Despite the drought, exports of wheat increased, in value terms, due, in large, to an increase in price. Exports of motor vehicle parts, crude petroleum and lumber posted the largest declines.

Regional Balance

Canadian economic activity was more balanced among regions and industries. The boom in non-oil commodity prices strengthened growth in the resource-producing western and Atlantic regions.

Oil and gas exploration and development in western Canada have recovered from the depressed level of early 1987.

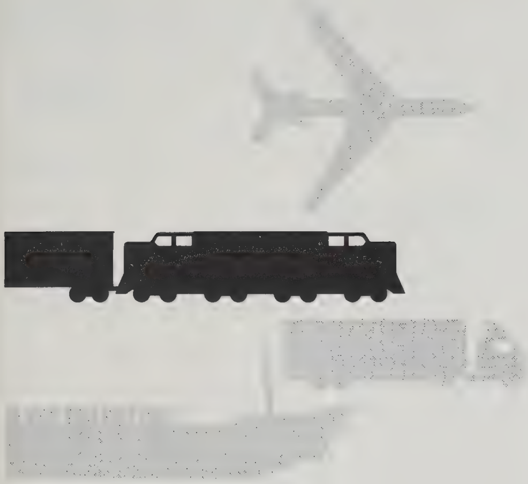
Given the strength of the pulp and paper sector, the healthy growth in primary metals and metal fabricating and their greater economic diversification, the economies of Quebec and Ontario had another year of strong growth.

World Economy

The world economy registered a more solid performance in 1988 than expected. The acceleration of growth in industrial economies resulted from sharply higher investment spending and from increased consumer spending, the latter being sustained by lower inflation and rising employment.

This buoyant economic environment meant positive developments for a trading country like Canada. Much of the sustained growth occurred in the economies of Canada's key trading countries — the United States, Japan, West Germany, the United Kingdom and France.

All in all, the growth of the Canadian economy and that of its key trading partners resulted in a strong demand for all transportation services in 1988.



RAIL SERVICES

HIGHLIGHTS OF 1988

Traffic

CN carried a record volume of traffic while CP Rail reached its second-highest level; bulk shipments of coal and potash were strong with grain hauls down due to a prolonged drought.

Restructuring

CN trimmed its balance sheet with the sale of select non-rail assets and the Grand Trunk Eastern line in the U.S.; it also ceased rail operations in Newfoundland and announced intentions to abandon its Prince Edward Island network.

CP Rail restructured its organization with the creation of a new division, Canadian Atlantic Railway, to handle its Maritime operations.

Effects of New Legislation

By year-end, widespread use of confidential contracts had reached levels where one-third of CN's and one-half of CP Rail's traffic (excluding statutory grain) were under contract.

Surveys of rail shippers confirmed the effectiveness of competitive access and dispute resolution provisions on their negotiations with railways.

The Minister of Transport requested the Agency to undertake an examination of criteria that could be used to identify rail networks essential to the economic development of any given region in Canada.

Equipment/Operations

A federal arbitrator imposed conditions on the operation of cabooseless trains by CN and CP Rail. The two railways appealed the order and in March 1989 the Federal Court ruled the conditions invalid and severed them from the arbitrator's order.

REGULATORY REFORMS

The *National Transportation Act, 1987* contained a number of provisions to reduce regulatory burdens on the railways and generally foster a more competitive environment.

Rail Provisions

The legislation permits confidential contracts, provides shippers with improved competitive access options, and streamlines the rail line abandonment procedure.

Under the new Act, railways can enter into confidential contracts with shippers, providing rates and terms tailored to individual shipper circumstances. The Act also abolished the former right of railways to set rates collectively.

Competitive access options give shippers access to more than one railway. The new provisions extend rail interswitching limits from 6.4 kilometres to 30 kilometres. Captive shippers located beyond interswitching limits may, in certain circumstances, obtain a competitive line rate to move their traffic to the nearest interchange for transfer to a competing railway.

The new Act provides a streamlined rail line abandonment procedure as well as new alternatives, such as transferring lines to independent operators, and the funding of improvements for alternative transportation facilities.

Dispute Resolution Mechanisms

The legislation provides for mediation and arbitration services as well as public investigations to settle disputes between shippers and carriers.

Voluntary mediation is available to shippers and carriers for disputes concerning rates or conditions with results not binding on the parties.

Final-offer arbitration applies to the domestic shipment of goods by air and non-grain traffic by rail, and is binding on both parties for one year.

Public interest investigations may be held in cases where the disputes have a much broader impact. This provision applies to domestic cargo shipments by air, all rail freight traffic with the exception of grain moved under the *Western Grain Transportation Act*, northern marine resupply traffic, and commodity pipeline movements.

INDUSTRY STRUCTURE

The rail freight industry is dominated by two transcontinental railways, CN and CP Rail.

The Canadian rail freight industry plays an important role in the Canadian economy transporting hundreds of millions of tonnes of traffic a year. The industry is comprised of 18 railways; however, the two transcontinental railways, CN and CP Rail (Class I railways), account for most of the activity. In terms of output, CN is approximately 20 to 30 per cent larger than CP Rail and even larger in terms of assets and employees. Each of the other 16 railways (Class II) engaged in freight services generate annual freight revenue ranging from a few million dollars to a few hundred million dollars. Generally, these railways fall into one of three categories:

- regional railways such as the British Columbia Railway, Algoma Central, Ontario Northland Railway, Quebec North Shore and Labrador which originate traffic almost entirely from mines and forests;
- lines which belong to subsidiaries of U.S. railways such as Burlington Northern, Conrail and CSX Transportation;
- terminal or switching railways which carry traffic to or from industries located on their lines to the main lines of CN and CP Rail such as Essex Terminal Railway and Southern Railway of British Columbia.

CN and CP Rail and a number of the smaller railways come under the provisions of the *National Transportation Act, 1987.* Included in this group are Quebec North Shore and Labrador, Algoma Central, Nipissing Central (the Quebec line of Ontario Northland Railway), Essex Terminal, and the subsidiaries of the U.S. railways. Other companies such as British Columbia Railway come under provincial jurisdiction.

This review concentrates on the activities of the two dominant carriers, CN and CP Rail.

TRAFFIC

Carload Traffic

In 1988, CN carried a record volume of traffic and CP Rail transported the second largest tonnage of traffic ever, about three per cent less than the peak reached in 1987.

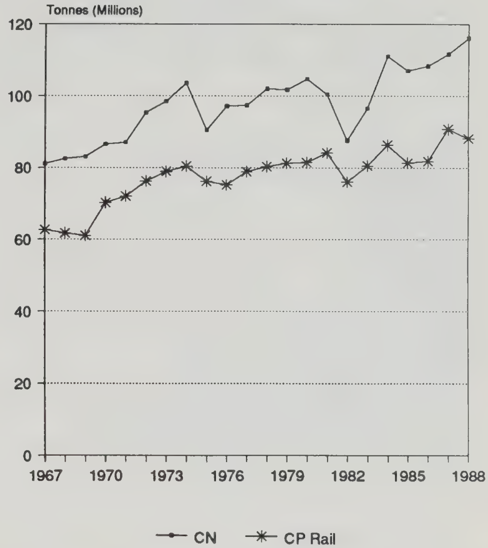
Over the last two decades, CN and CP Rail traffic has grown at an annual rate of between one and two per cent to total 204.3 million tonnes in 1988. The pattern of growth, as Figure 3.1 illustrates, has not been even from one year to another because the ups and downs of the economy have an impact on railway traffic. For example, the economic downturns of 1975 and 1982 resulted in substantial drops in traffic levels. Because fixed costs represent a high proportion of railway expenses, the swings in traffic have a noticeable effect on net income. An upturn in the economy translates into increased demand for rail services; fixed costs can then be spread across more units of traffic and net income grows significantly. The converse is also true.

Though rail traffic has grown slowly over the years, its composition has changed considerably. Bulk commodities such as coal, potash, lumber, sulphur, pulpwood chips, gypsum, woodpulp and newsprint have grown to the point where they now comprise 50 per cent of total traffic excluding statutory grain shipments. Most of this bulk traffic is destined to offshore markets or to the United States.

There has also been significant growth in intermodal traffic to the point that, in volume terms, it is the second most important non-grain traffic after coal. This growth has come from the continuing increase in the use of containers in international commerce.

CN carried record tonnage in 1988 and CP Rail had its second best traffic year, being only three per cent off the peak reached in 1987. These results come from strong export shipments of non-grain bulk commodities and increases in container traffic. Figures 3.2 and 3.3 illustrate the

FIGURE 3.1: TOTAL FREIGHT CARRIED



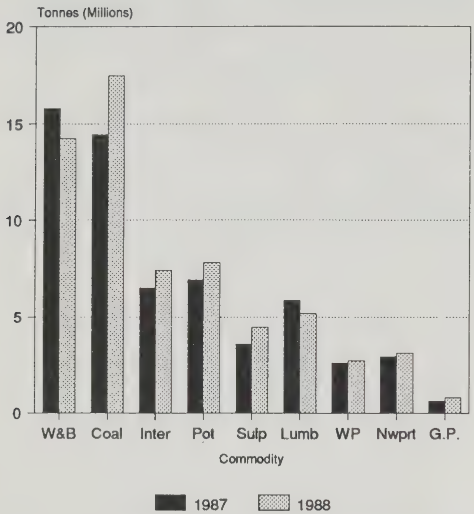
Source : Railways' Annual Reports filed with the Agency.

growth in selected bulk commodities for CN and CP Rail, respectively.

A closer look at selected commodity movements of each railway in 1988 indicates the following:

- Grain traffic declined significantly as a result of the drought experienced in the Prairies in the summer of 1988. The impact was greater on CP Rail as it serves more of the affected area than CN.
- Coal traffic set a new volume record, with each railway transporting three million tonnes more during the year. This growth was caused by increased demand from Japan and Korea for metallurgical coal to use in their steel industries. Normally, the Japanese would rely more on Australian mines to meet their requirements but labour problems in Australia and coal contract negotiations between the two countries caused the Japanese to turn to sources in other countries.

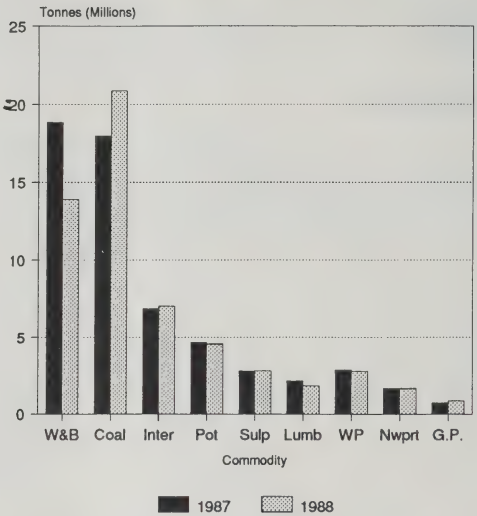
FIGURE 3.2: CN TONNAGE BY SELECTED COMMODITY



Legend: W&B = Wheat & Barley; Inter = Intermodal; Pot = Potash; Sulp = Sulphur; Lumb = Lumber, WP = Woodpulp; Nwprt = Newsprint; G.P. = Groundwood paper.

Source: CN's Annual Reports with the Agency.

FIGURE 3.3: CP RAIL TONNAGE BY SELECTED COMMODITY



Legend: W&B = Wheat & Barley; Inter = Intermodal; Pot = Potash; Sulp = Sulphur; Lumb = Lumber, WP = Woodpulp; Nwprt = Newsprint; G.P. = Groundwood paper.

Source: CP's Annual Reports with the Agency.

- Potash and sulphur shipments were each up by close to a million tonnes for CN, whereas for CP Rail potash tonnage was down slightly at year-end and sulphur traffic showed no growth.

- Lumber traffic was down throughout the year because of lower housing starts in the United States and the surtax on imported lumber. CN's decrease was larger because it transports three times more lumber than CP Rail.

- The pulp and paper industry had a record year. Rail traffic generally remained strong with decreases being explained by market and modal shifts. Woodpulp, newsprint and groundwood paper shipments all increased for CN, whereas for CP Rail, woodpulp and newsprint traffic decreased and groundwood paper traffic grew.

- Finally, automotive traffic increased for both railways. While the increases were not as large as for some of the other commodities, the impact on total revenues is important. The revenue received per tonne of automotive traffic is several times higher than for other commodities.

Intermodal Traffic

Intermodal traffic increased.

Both CN and CP Rail continue to place emphasis on the development of intermodal services to meet the needs of their customers.

The increase in intermodal traffic during the year was due solely to the transportation of more marine containers. Trailer-on-flat-car traffic was down for both railways.

Shippers who used intermodal services reported that, on average, 15 per cent of their traffic moved in this way. Three-quarters of these shippers indicated that they utilized the truck-rail combination. Shippers most frequently used freight forwarders when they relied on intermediaries to make some or all of their intermodal arrangements.

COMPETITION

Confidential Contracts

Confidential contracts stand out clearly as a major success story for both shippers and railways.

Shippers and railways took advantage of the confidential contract provision, signing 1,223 contracts in 1988. Of that number, over 51 per cent were filed by CP Rail, 30 per cent by CN and the balance involved one of the other rail carriers operating in Canada — i.e. Algoma Central Railway, Burlington Northern Railroad Company, Consolidated Rail Corporation, CSX Transportation, Kansas City Southern, Norfolk and Western Railway Company, Southern Railway System and Wisconsin Central Ltd.

Rate of Filing

CN and CP Rail together filed over 100 confidential contracts a month between September and December.

An examination of the contract summaries revealed that confidential contract filing started out slowly but grew to a point where the two railways were filing over one hundred contracts a month in the last four months of the year. Further, many contracts signed later in the year were backdated to the beginning or to a point earlier in the year. Most of CN's and CP Rail's confidential contracts were signed with shippers for a duration of one year or less and only a small number were for a period of more than two years. CN signed proportionately fewer short term contracts (less than six months) and more two to three year contracts than CP Rail.

The use of confidential contracting caught on much more rapidly in Canada than in the United States where such contracts were first introduced in 1980. It is likely that through trade with the U.S., Canadian shippers and railways gained considerable contracting experience in dealing with American railways and they were able to apply this to the Canadian legislation.

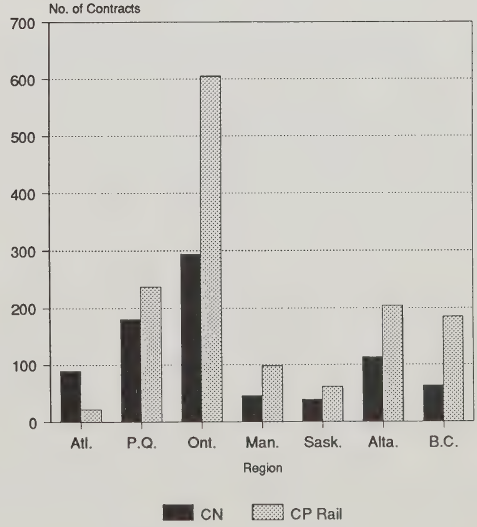
Traffic Carried under Contract

A substantial proportion of rail traffic was moved under confidential contract by year's end.

Another indication of the importance of confidential contracting is the volume of traffic moved under such contracts. CN estimates that a third of its tonnage (net of grain carried under the *Western Grain Transportation Act*) was under contract at year's end and CP Rail estimates that a half of its traffic (net of WGTA grain) was under contract. The Agency has estimated, from its survey, that over 30 per cent of rail traffic moved under confidential contract in 1988. All of these figures are evidence that the confidential contract provision was used extensively and successfully.

More than half of the origins reported in CN and CP Rail confidential contracts were in central Canada, with two-thirds from Ontario (Figure 3.4). A large proportion of contract origins in Ontario and Quebec were paired with destinations in the four Western provinces.

FIGURE 3.4: CONTRACT ORIGINS FOR CN AND CP RAIL



Note: For those contracts which contain more than one origin and/or destination, one origin is counted for each origin-destination pair contained in a contract. As a result, the total number of origins is greater than the number of contracts.

Source: Confidential contract summaries filed with the Agency.

Origins in Alberta and British Columbia were the next most frequent and were often paired with destinations in central Canada. Origins in Atlantic Canada appeared ten per cent of the time in CN's contracts but much less frequently in CP Rail's, the difference being explained by CN's greater presence in the region.

In addition to inter-regional movements, confidential contracts were often used for the transportation of goods within provinces or regions and this was most prevalent in Ontario.

Extensive use was also made of confidential contracts for transborder movements with about one-sixth of the origins and destinations listed in the contracts of *all* railways being points in the United States. Most transborder shipments to the United States were destined for the mid-western states; the destinations of transborder shipments to Canada were mostly in Ontario and Quebec with the exception of some movements between the western States and British Columbia. A quarter of the United States destinations are paired with United States origins.

Commodities Carried under Contract

Confidential contracts were accessible to all types of industries.

Confidential contract summaries and shipper survey results indicated that commodities from a wide spectrum of industries were moved under confidential contracts in 1988. This confirms the accessibility of the provision to all types of industries. However, some industries signed more contracts than others. Products from the chemical, food, lumber, pulp and paper, and mining industries accounted for 60 per cent of the commodities listed in CN's and CP Rail's contracts.

The origins and destinations listed in the confidential contracts for these commodities are representative of the traditional distribution patterns of the industries. For example, chemical products had origins in the production provinces of Ontario, Alberta and Quebec and market destinations in all other provinces and the United States, and food products mainly originated in central Canada with destinations in all other provinces. Further, lumber originated most often in the producing provinces of British Columbia, Alberta and Quebec and was destined to markets in the United States and other provinces, and pulp and paper products mainly originated in Quebec, Ontario and British Columbia with destinations in the United States and other provinces.

Size of Shippers

Confidential contracts were accessible to all sizes of shippers.

Using the number of employees as an indicator of shippers' size, survey results show that confidential contracts were accessible to all sizes of shippers. Almost half of the shippers indicated that they had been approached by a Canadian railway in 1988 to negotiate a contract.

Firms of all sizes stated that the railways had contacted them, but more large companies reported this than small ones. This is not surprising since the railways would give priority to contracts with large volume shippers.

The beneficial effects of confidential contracts were reported by firms ranging from under 50 employees to those with a workforce in the thousands. Numerous small shippers who moved traffic under confidential contract reported that they had been approached by a railway to negotiate the contract, and that they had achieved lower contract rates.

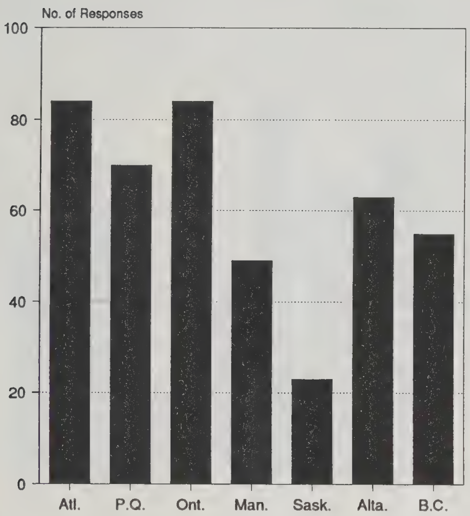
Impact on Rate Levels

*A majority of shippers surveyed reported that their contract rates were lower th*an published rates.

When asked to rank the factors that prompted them to enter into a confidential contract, shippers identified 'rate concessions' as the number one motivating factor. Next in importance were 'confidentiality' and 'rate guarantees'.

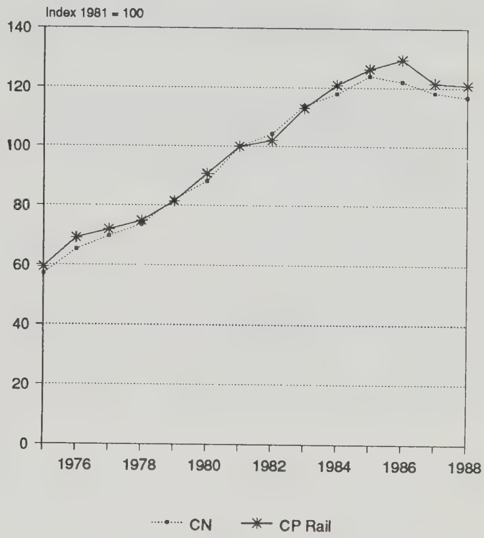
In the survey, the majority (75 per cent) of rail shippers with confidential contract traffic reported that their contract rates were lower than published rates. As Figure 3.5 demonstrates, shippers who obtained a lower rate under a confidential contract were well represented in all regions. However, not all traffic moved under confidential contracts, and not all contract traffic moved under lower rates.

FIGURE 3.5:REGIONAL PRESENCE OF SHIPPERS REPORTING CONFIDENTIAL CONTRACT RATES LOWER THAN PUBLISHED RATES



Source : NTA Shippers' Survey

FIGURE 3.6: REVENUE / TONNE-KILOMETRE FOR CN AND CP RAIL



Source: Railways' Annual Reports filed with the Agency.

Both major railways, as illustrated by Figure 3.6, experienced only a slight decline in their revenue per tonne-kilometre in 1988. This measure, which is a crude indicator of rate levels, shows that on average the rate level decreased. However, this reflects the influence of many factors such as market forces, shifts in traffic mix and distribution patterns, shifts in trade, and changes in cost of operation as well as the new legislative rail provisions.

Both railways stated in their submission that the new legislation impacted on railway prices and caused revenue attrition. CN indicated that overall price increases were limited to one per cent and CP Rail stated that there were strong pressures to reduce prices by shippers and international markets.

Carriers' Perspective

Railways positive towards confidential contracts.

In its submission, CN stated that "the ability to enter into confidential contracts is the most positive new practice that has developed in 1988 and CN expects to continue to use this key marketing tool to negotiate with shippers mutually beneficial services agreements in the years to come". CP Rail, in its submission, pointed out that "it is significant that the most market oriented of the Act's provisions — confidential contracts — have been so widely accepted by shippers".

Shippers' Perspective

Shippers also positive towards confidential contracts.

Over half of the rail users surveyed rated the impact of confidential contracts on their firm as

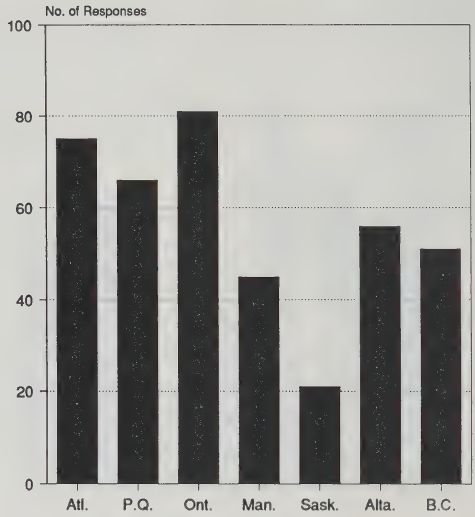
either being positive or very positive. Almost all the other respondents were either not involved in negotiations in 1988, were unable to reach an agreement, or signed a contract under terms less attractive than those they expected.

Shippers with contracts also reported that they moved, on average, 60 per cent of their traffic under contract, indicating that it was not necessary to commit all rail traffic to a contract to strike a deal and that volume was not the only factor in negotiations.

The latter point is confirmed by the fact that those shippers having only a small portion of their traffic under contract had a positive assessment of contracts. Firms shipping less than ten per cent of their volume under contracts through to those shipping all of their rail traffic under contract indicated that contracting had been positive for them.

Benefits of contracting appear to have been shared by shippers from all types of industries. However, firms from the paper, lumber, chemical, food, and mining industries most frequently indicated that contracting had positive results. This is not surprising given that products from these industries appeared most often in confidential contract summaries. Shippers reporting favourable responses, as Figure 3.7 demonstrates, were well represented by a presence in all regions.

FIGURE 3.7:REGIONAL PRESENCE OF SHIPPERS REPORTING A POSITIVE IMPACT OF CONFIDENTIAL CONTRACTS



Source : NTA Shippers' Survey

Summary

Confidential contracts a success.

Confidential contracts were a major success story in 1988. Shippers and railways were quite active in signing a large number of confidential contracts — more than many anticipated — covering a wide range of commodities moving to, from and within all regions of Canada. Both shippers and railways indicated satisfaction with the competitive benefits offered by confidential contracts. In fact, shippers most frequently ranked confidential contracts as number one in rating which factor was the most important in achieving competitive rail rates.

Competitive Access and Dispute Resolution

Over half the rail users surveyed reported that competitive access and dispute resolution provisions had an effect on their negotiations with the railways.

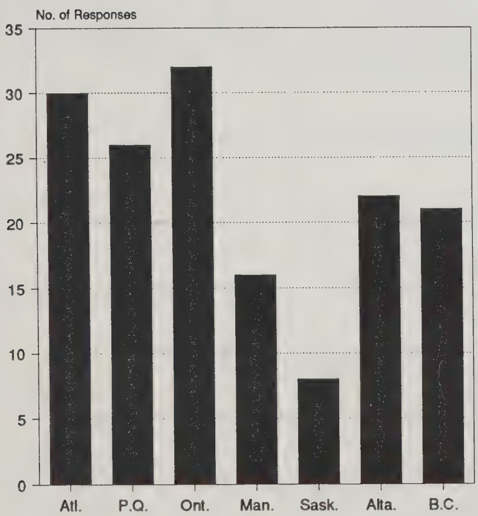
The NTA encourages competition by offering shippers the option of using competitive access provisions and by providing shippers and railways with dispute resolution mechanisms to settle differences over rates and services. Shippers may make actual use of the provisions or they may employ them as bargaining tools in the negotiating process.

With respect to interswitching activities, figures reported by the two major railways show a significant amount of activity in the old interswitching zone (i.e. up to 6.4 kilometres) and in zones between 6.4 and 30 kilometres.

Since railways' systems for tracking interswitching activity are currently under development, it was not possible to identify changes in interswitching activities under the old zone or to differentiate between the traffic that used to be voluntarily interchanged previously in the 6.4 to 30 kilometres range and that which is truly interswitched in those zones as a result of the introduction of the new distance limit.

Until such distinctions are introduced, it would be misleading to draw any conclusions from the railway data. Survey results, however, show one in five shippers saying that interswitching had a positive or very positive impact on their firm. As Figure 3.8 indicates, these positive results, when examined in terms of shippers' regional presence, were reported in all regions.

FIGURE 3.8:REGIONAL PRESENCE OF SHIPPERS REPORTING A POSITIVE IMPACT OF EXPANDED INTERSWITCHING



Source : NTA Shippers' Survey

The Agency dealt with ten interswitching cases in 1988 involving requests for extension of the 30 kilometre limit as well as other matters dealing with the administration of the provision.

The Agency determined one competitive line rate for an application from Alberta Gas Chemicals Inc. The Agency's decision in this matter has been appealed by CP Rail to the Federal Court of Canada. One other application was subsequently withdrawn.

While mediation services were used to deal with a number of matters, only one formal application was made for mediation respecting a rail freight rate or service matter. There were no applications for final-offer arbitration nor any requests for public interest investigations for rail freight rate or service matters.

The fact that the competitive access and dispute resolution mechanisms were seldom used may be explained in part by the fact that a number of shippers were just learning the ins and outs of the legislation. This is supported by the number of requests the Agency received for information on the provisions.

The lack of formal use does not mean that the provisions are ineffective. Over half the rail shippers surveyed reported that these provisions had an effect on their negotiations with the railways. Furthermore, the users represented all sizes of firms though more large firms than small ones responded positively. Also, based on shippers' reported regional presence, the positive impact was observed in all regions of Canada, as Figure 3.9 illustrates.

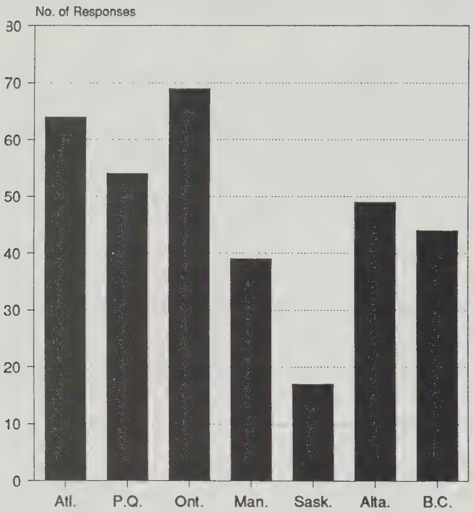
The following quote from a shipper typifies their approach to the competitive access provisions:

"The existence of CLR's and other competitive access tools has been a great improvement. The fact that few shippers have utilized this extreme measure (CLR's) means that it is working as intended, i.e. the CLR is the option of last resort for a shipper."

One in five shippers also indicated that the competitive line rate provisions had a beneficial impact on their firm. This positive effect, based on shippers' identified regional presence, was reported in all regions of Canada, as Figure 3.10 shows.

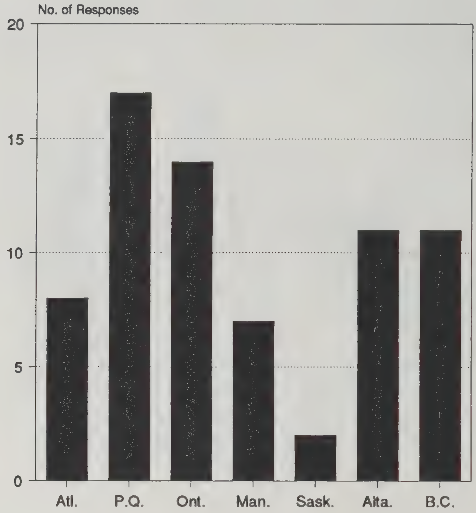
Rail users found that, as a result of the new legislation, railways were more competitive in their negotiations with individual shippers. A significant number of shippers indicated that they would like

FIGURE 3.9:REGIONAL PRESENCE OF SHIPPERS REPORTING A POSITIVE IMPACT OF ACCESS AND DISPUTE PROVISIONS



Source : NTA Shippers' Survey

FIGURE 3.10: REGIONAL PRESENCE OF SHIPPERS REPORTING A POSITIVE IMPACT ON COMPETITIVE LINE RATES



Source : NTA Shippers' Survey

to have seen more competition between Canadian railways. However, in a year where traffic was strong and car supply tight and where the railways were trying to get their own customers under confidential contracts, there was likely little room for the railways to aggressively pursue each other's traffic. This may not be the case in years to come.

Finally, it is extremely difficult to measure the impact of competitive line rates on the financial results of CN and CP Rail and this has been recognized by the railways. The difficulty comes from the fact that much of the impact of competitive line rates is at the bargaining table and it is not feasible to separate their effect from all the other factors at play in negotiations.

SERVICE

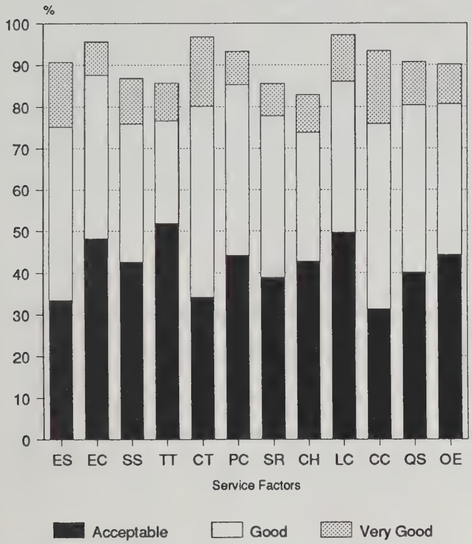
Quality

Carload Services

Over a quarter of the shippers surveyed reported an improvement in quality of rail services in 1988.

Shippers were asked to rate the quality of rail service in 1988 in terms of several factors. Overall, their responses indicated that they were generally satisfied with the service provided by the railways. Eight of the service factors, as Figure 3.11 illustrates, received an acceptable, good or very good rating from at least 90 per cent of the users and the four other factors received positive ratings from at least 83 per cent of the shippers. Shippers were also requested to compare the rail service offered in 1988 to that provided in 1987. Over a quarter of the rail shippers surveyed reported an improvement in rail service in 1988 while only

FIGURE 3.11: DISTRIBUTION OF SHIPPERS POSITIVE RATING OF SERVICE FACTORS



Legend: ES = Equipment Supply; EC = Equipment Condition; SS = Switching Service; TT = Transit Time; CT = Car Tracing; PC = Product Care; SR = Service Reliability; CH = Claims Handling; LC = Liability Coverage; CC = Carrier Cooperation; QS = Overall Quality of Service; OE = Overall Efficiency of Service.

Source: NTA Shippers' Survey

12 per cent reported a slippage in the quality of service.

Operationally, both CN and CP Rail cut the length of many of their trains in an effort to improve their on-time performance.

Intermodal Services

Majority of shippers noted improvement in intermodal services.

The vast majority of shippers (over 90 per cent) indicated an improvement or noted changes in the level of intermodal services between 1987 and 1988. The most significant improvements were in the areas of equipment supply, service frequency, transit time and carrier's cooperation.

The Atlantic Provinces Transportation Commission also reported, based on consultations with carriers and shippers, an improvement in intermodal services in Atlantic Canada.

Both railways are making efforts to improve intermodal services. CN made the decision to begin double-stack service out of Vancouver in 1989 and CP Rail has leased 100 sets of 250-foot spine cars to place in container services.

Restructuring

CN discontinued all rail services in Newfoundland in 1988 and CP Rail established Canadian Atlantic Railway to better serve its customers in the Maritimes.

CN and CP Rail made major changes to their organizations and the way they deliver services to their customers during the year. CN discontinued all rail service in Newfoundland in September and now serves the province through intermodal services. This was done under a federal-provincial agreement which provided $800 million in compensation to upgrade roads, compensate employees and improve ports in Newfoundland. CN also made application to abandon all of its network in Prince Edward Island.

CP Rail created Canadian Atlantic Railway out of its lines and facilities in New Brunswick, Nova Scotia and Maine to better serve its customers in the Maritimes and to be more competitive with trucks.

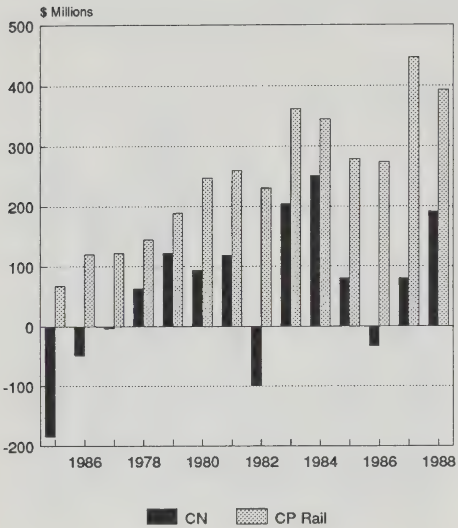
CARRIER PERFORMANCE

Both CN and CP Rail turned in strong net income results in 1988.

CN's net income more than doubled in 1988 while CP Rail's net income was strong but lower than its record of 1987 because of a decline in traffic. However, CP Rail, the smaller of the two railways, still had a larger net income before taxes than CN as shown in Figure 3.12 . Since 1975, CP Rail has had a positive net income in all years with only one year in which net income was less than $100 million. CN, on the other hand, had losses in five of the years since 1975 and only five times, including 1988, did net income go over the $100 million level.

Part of the difference in net income between the two railways can be explained by their different capital structure. CN carries a much higher debt

FIGURE 3.12: NET INCOME
CN AND CP RAIL



Source: Railways' Annual Reports filed with the Agency.

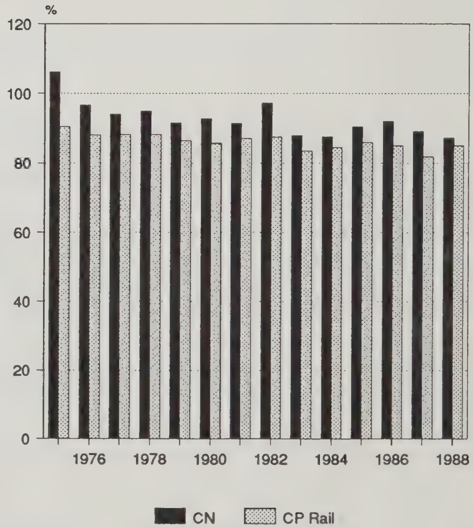
load than CP Rail and thus has much higher interest expenses. However, CN has embarked on a program of selling off non-rail assets and has disposed of its holdings in CN Hotels, CNCP Telecommunications and two telephone companies. This allowed CN to reduce its debt load by about $1 billion and thereby reduce interest expenses.

Analysis also reveals that CN's operating ratio (the ratio of operating expenses to operating revenues) has continually been higher than CP Rail's, as Figure 3.13 indicates. CN inherited a vast network of track at its creation in 1923 out of bankrupt railroads and various other lines were added to its system in later years. Parts of this network have not generated large volumes of traffic, yet CN, as a Crown corporation, was expected to continue operating them. CN thus has had a higher ratio of track and employees to output than CP Rail. As a consequence, CN's operating expenses net of passenger operations (i.e. after subtracting VIA Rail payments from CN's operating expenses) per unit of output have been higher than those of CP Rail.

CN's operating ratio improved in 1988 as well as in 1987. This improvement was attributable to cost reductions since operating expenses per tonne-kilometre declined while at the same time there was a slight decline in revenue per tonne-kilometre. The decrease was due partly to a transfer of passenger related activities to VIA Rail; however, expenses net of passenger operations also experienced a decline. The termination of rail services in Newfoundland in 1988 should also improve operating results since it has been estimated that Newfoundland operations were losing $40 million a year.

CP Rail's operating ratio was higher in 1988 than in 1987 due to the fact that revenue per tonne-kilometre dropped slightly while expenses per tonne-kilometre increased. This situation was caused in part by CP Rail not being able to reduce its operations and thus expenses as fast as the decline that occurred in certain major types of its traffic in the last few months of 1988.

FIGURE 3.13: OPERATING RATIOS
CN AND CP RAIL



Source: Railways' Annual Reports filed with the Agency.

NETWORK RATIONALIZATION

Abandonment Activities

Processing of abandonments encountered delays in 1988. CN and CP Rail plan to file applications for abandonment in 1989 covering about 1,300 miles.

The Act requires the Agency to report in the Annual Review on the abandonment activities in the year-under-review and on the railways' planned abandonments for the current year. An overview of this information is supplied here and more detailed figures are reported in Appendices A to E.

There were a total of 25 notices of intent to abandon lines in 1988 and the railways followed up on 19 of these with applications for abandonment. In total, the Agency had 73 applications for abandonment before it during the year. These included new applications, applications carried over from the Canadian Transport Commission where decisions had not been rendered, and applications up for reconsideration where previous decisions had resulted in retention orders by the Commission. Forty-seven of the applications were from CN, 23 from CP Rail, one joint application from CN and CP Rail and two from CSX Transportation.

Because of the time limits established by the Act, 43 of the cases had to be dealt with during the year. The remaining cases were applications which were filed after June (which put their deadline in 1989) and reconsideration cases that were not due until 1989 or later.

The Agency issued decisions on 20 of the 43 applications. Some of the remaining 23 cases were reconsideration applications that were postponed to 1989 so that a geographic grouping of lines could be achieved. It is estimated that most of the backlog will have been dealt with by mid-1989.

Finally, the Agency canvassed 15 railway companies as to their plans for rail line abandonment in 1989. CN and CP Rail were the only two to submit plans while the others indicated that they would not be filing any applications in 1989. CN plans to file 36 applications in 1989 covering 574 miles, and CP Rail intends to file 29 applications covering 732 miles.

Request from the Minister of Transport

"An essential rail network is a moving target..."

On October 17, 1988, the Hon. Benoît Bouchard, Minister of Transport, requested the National Transportation Agency to include in its 1988 study of the transportation network, pursuant to section 267 of the *National Transportation Act, 1987*, a special examination of criteria that could be used to identify rail networks essential to the economic development of any given region. In fulfilling this request, staff of the Agency carried out a series of consultations with provinces, shippers, carriers and other interested parties which can be summarized as follows:

In general, it was agreed that Canada had redundant trackage and that abandonments should continue so as to ensure a viable rail system. An essential rail network was one which would be adequate for the economic and competitive carriage of identified present and future traffic. Criteria put forward to identify particular lines were essentially in accord with those included in provisions of the *National Transportation Act, 1987.*

However, there were sharp differences respecting the need for change in the *National Transportation Act, 1987.* The parties who are most immediately affected in their day-to-day operations by the railway network — shippers and carriers — felt strongly that re-opening of the Act was unnecessary and inadvisable at this time. Some of the provinces' views, however, could only be accommodated completely through major revisions to abandonment provisions of the Act.

In particular, New Brunswick and Quebec held that the economic viability of lines should be secondary to other criteria in deciding whether they were essential, in effect reversing the priorities of current abandonment provisions. New Brunswick held that the condition of highway infrastructure should be considered in every abandonment application and that funds for highway upgrading be a pre-condition of allowing any abandonments.

Many parties made the point that the consultations for this study could in no way compare to the exhaustive process undertaken in conjunction with development of the *National Transportation Act*, nor were they so intended. If amendments were made to key provisions, they could have repercussions

reaching well beyond their immediate focus, which would affect balances which were achieved in the Act as a whole. It was further pointed out that if the Act was to be amended, there should be a scale of consultations commensurate with the consultations preceding the passage of the 1987 Act.

The different parties suggested a need for policy development with respect to sharing of infrastructure costs by different levels of government, regardless of the mode of transport involved. These positions are summarized under the following headings:

- **Suggested Criteria**

Rail lines with the following characteristics might be considered part of an essential network:

— serving shippers whose needs cannot be practically or economically met by alternative carriers or forms of transportation;

— serving areas with forest resources or mineral deposits with *clearly identified* development potential dependent solely on available rail transportation;

— serving national ports;

— serving *clearly identified* industrial development needs, such as where new commitments to sunk costs have been made by industries dependent on rail;

— required to provide effective competition in transport;

— required in the Maritimes to maintain a basis for Newfoundland freight rates.

- **Suggested Procedures**

— The Agency should exercise more of its discretion to consider groupings of lines and make recommendations on the disposition of sets of lines where an abandonment was proposed.

— The Agency should make greater efforts to communicate information on the abandonment process and to consult on transportation options with parties affected by abandonment applications.

— Railways and shipper groups insisted that any modifications to the criteria must not infringe on the current time limits set out in the *National Transportation Act, 1987* and that accelerated rationalization of the rail network was essential to achieve cost efficiencies.

- **Suggested Policies**

— Every party contacted raised the question of when, how, and how much money would be provided to implement sections of the *National Transportation Act*, giving assistance to parties adversely affected by abandonments. Provision of these transitional funds was considered urgent and vital.

— As rail is a federal jurisdiction and highway a provincial one, an integrated transportation policy is needed to avoid the decisions of one government acting at cross purposes to those of another. Decisions affecting roads and railways are usually made in separate arenas and often do not produce the most effective use of scarce transportation resources, resulting in higher than necessary total costs. The railways contend that current government policies create non-market forces that artificially induce traffic to shift from the rail to the truck mode.

— Additional measures to encourage short-line railways as alternatives to abandonment should be considered, including provision of seed money and operating subsidies by governments, adjustments to labour legislation, and establishment of managerial expertise in Canada for such operations.

— Western provinces raised the concern that comparable assistance and rationalization policies be developed with respect to lines governed by the *Western Grain Transportation Act* when they become unfrozen.

Concluding observations can be drawn from the Agency's consultations:

- Shippers and carriers are the parties most affected and they were opposed to any amendments to the abandonment provisions of the Act.

- Some province's views suggested a need for new policies dealing with federal sharing of highway costs.

- All parties stressed the importance of providing transitional funding under section 175 of the Act to assist those affected by abandonments.

- There was consensus that short line railway operations were unlikely to start up without assistance from the federal government and main line railways.

- The criteria suggested for identifying lines forming part of an essential rail network were in accord with those included in provisions of the *National Transportation Act, 1987*.

TRUCKING SERVICES

HIGHLIGHTS OF 1988

Implementation

The new legislation was subject to wide variations in interpretation by provincial regulatory boards.

Structure

Carriers continued the long-term trend of rationalization and consolidation to meet the challenge and opportunities of the changed marketplace.

The trend in the level of consolidations and bankruptcies did not show a marked change in 1988. There was, however, one large bankruptcy, that of Transport Route Canada and one major acquisition, that of CF Kingsway by Federal Industries.

Competition

Both shippers and carriers reported increased competition in the truckload and less-than-truckload markets. Geographically, this increase was experienced in all domestic markets and in the transborder market.

Impact of the Legislation

A vast majority of shippers considered that the new legislation was positive or indicated it was too early to tell.

For carriers, the long-term impact will be clearer once the *National Safety Code* is fully implemented. For the first year, one-third of the carriers reported a positive impact but the majority indicated a less favourable effect mainly because of the variation between provinces in the interpretation of the legislation and use of procedures.

Rates

Both shippers and carriers reported that truckload rates declined while less-than-truckload rates were more stable but subject to some discounting.

Performance

General indications are that in this period of adjustment the financial performance of carriers was affected.

REGULATORY REFORMS

The first year of regulatory reform saw wide variations in the interpretation of the new legislation by provincial regulatory boards.

A new national framework for the regulation of extra-provincial truck undertakings (i.e. carriers operating beyond the limits of one province or territory such as between provinces or across the Canada-U.S. border) came into effect on January 1, 1988. Defined by the *Motor Vehicle Transport Act, 1987* (MVTA), this new regulatory framework is based on a Memorandum of Understanding signed by the federal and provincial governments in 1985. The main features of regulatory reform in respect to extra-provincial trucking are:

- easing of market entry regulations and discontinuance of rate controls;
- promotion of nationally uniform market entry administered by the provinces under delegation of federal authority;
- more effective safety regulation of services under federal jurisdiction.

The implementation of market entry reforms is proceeding in two phases:

- On January 1, 1988, the "public convenience and necessity" test was replaced by a "fitness" entry test and a "reverse onus" public interest test. (Under "reverse onus", the burden of proof shifts from the applicant to the objector.)
- On January 1, 1993, the public interest test is scheduled to expire and "fitness" will become the sole standard for licensing extra-provincial truck undertakings. At that time, existing licences will no longer be subject to limitations on specific routes or commodities. The "reverse onus" provision is subject to review by the Minister of Transport to determine whether an extension of the transition period is needed.

There was general agreement among most provinces in the fall of 1987 on common guidelines for the administration of entry standards. The objective of consistency in procedural matters, from one jurisdiction to another, relating to applications was reaffirmed by the Council of Ministers responsible for Transportation and Safety in September 1988. To this effect, the federal Minister of Transport issued guidelines relating to the "public interest" test. However, the first year of the transition period saw wide variations in the interpretation of the new legislation by provincial bodies, ranging from a broad and open policy in Quebec and Alberta to a more discretionary approach in New Brunswick and Manitoba.

In a number of provinces, carriers engaged in legal proceedings to test the interpretation of the MVTA by licensing boards. A jurisdictional dispute to determine licensing authority in Ontario (between the provincial transportation ministry and the Ontario Highway Transport Board) resulted in substantial processing delays.

Carriers consulted as part of the review indicated that procedural differences among provincial jurisdictions rendered the application process a costly, lengthy and uneven exercise.

INDUSTRY STRUCTURE

Structural changes during 1988 reflect the trends of the past several years.

Some of the underlying trends and structural shifts apparent during the first year of transition constitute a continuation of developments which emerged prior to the formal enactment of regulatory reform.

Mergers, expansions, acquisitions, and the rationalization of operations intensified in 1986 and 1987 as the time frame and parameters of the new legislation became more defined. Established carriers applied for broader operating authorities to

ensure that their target base of operation would be in place by 1988.

Entry and Rationalization

New entrants, expansions and consolidations marked the industry in 1988.

Notwithstanding the action taken by carriers to consolidate their positions prior to regulatory reform, the reduction of entry controls resulted in new entrants. This was particularly the case in the truckload segment of the market which, except for some specialized operations like liquid bulk, has a relatively low entry capital threshold. Increased entry is reflected in the number of new applications granted by provincial authorities and in the increase in the "level of service available" as reported by shippers.

The less-than-truckload (LTL) market, which involves substantial capital investment and has high fixed overhead costs associated with terminal infrastructure, does not appear to have had a significant number of new entrants. However, the expansion of operations of existing or newly consolidated carriers effectively introduced a highly competitive element in this segment. While route rationalizations and consolidations have resulted in some market abandonment by carrier entities, this has not had the effect of reducing capacity. Intra and inter-regional expansion of carriers' operations has increased the "level of service available" to shippers.

Consolidations have not been limited to the LTL segment (where the primary intent is to achieve economies of scale and a broader market base) but extend as well to the truckload segment where they provide for better balances in traffic flows. Consolidations and route structure changes have resulted in less interlining (i.e. transport of freight by two or more carriers from point of origin to destination), by allowing for broader provisions of single line service among regions. However, there were also new arrangements whereby local carriers benefitted from the interlining requirements of carriers expanding into new regions.

Structural Shifts

New entrants and the broader operating authorities of established carriers are changing traffic patterns.

New carrier strategies and market arrangements are altering the relationship between the truckload and LTL segments of the industry. The biggest impact is being felt by carriers operating truckload and LTL services. Competition in the truckload segment and shipper initiatives in arranging for load consolidations are diverting LTL traffic to truckload services. At the same time, LTL carriers who rely on truckloads for return trips (backhaul) face more competition from truckload carriers. Alternatively, the truckload carrier's primary traffic base (headhaul) is being affected by competition from new local entrants as well as the backhaul requirements of regional and international carriers undertaking market expansions.

The need for greater operating efficiencies in both the domestic and transborder markets for general freight carriers may be leading to a greater specialization of truckload and LTL operations (along the lines of U.S. carriers) altering the traditional patterns of eastbound/westbound LTL loads from the central Canadian provinces with truckload commodity shipments on the backhaul. It is estimated that about two-thirds of outbound traffic from central Canada is LTL while inbound traffic is approximately 80 per cent truckload.

Owner/Operators

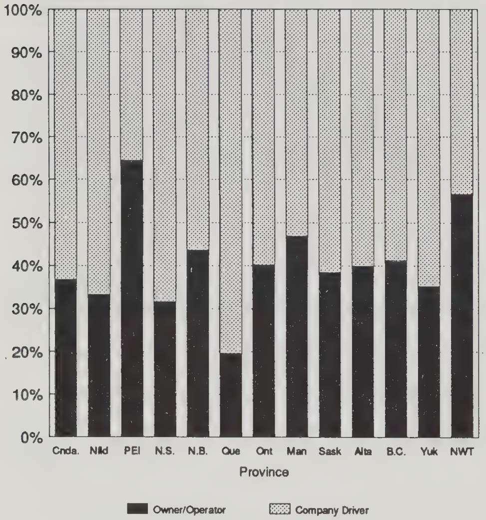
There was a continued trend towards greater usage of owner/operators in 1988.

The process of rationalization and market expansion (even prior to regulatory reform) has coincided with the increased usage of owner/operators. At the beginning of 1988, the relative importance of owner/operators (measured as a proportion of total carrier operating expenses) had increased 40 per cent since 1980.

Distances travelled by owner/operators accounted for about 38 per cent of total distances travelled (by owner/operators plus company drivers) during the first half of 1988. The degree of utilization varies with carriers' province of domicile

(Figure 4.1). Owner/operators hauling for carriers based in Manitoba and in the Atlantic provinces accounted for higher proportions than the national average; in the case of Quebec-based carriers, it was about half the national average.

FIGURE 4.1: % DISTRIBUTION OF DISTANCES TRAVELLED BY OWNER/OPERATOR AND COMPANY DRIVER - 1988*



Source : Statistics Canada

*1988 (Jan.-June)

Similarly, close to 40 per cent of tractors operated by the carriers consulted were owned or leased by owner/operators. Carriers in virtually all provinces indicated a trend towards increased usage of owner/operators owing to the need for flexibility in dealing with market expansions and adjustments.

At the same time, reduction in entry controls has provided greater market accessibility to small operators (including owner/operators) in the truckload general freight and commodity/shipper specific segment.

Market Exit

The level of consolidations and bankruptcies in the trucking industry did not change significantly.

The impact of consolidations and bankruptcies in 1988 on the level of market participation by carrier entities appeared to be consistent with trends emerging over the last several years.

Carriers reported a sustained level of activity in all regions in respect to mergers and acquisitions. The most prominent was the acquisition of CF Kingsway Inc. of Toronto by Federal Industries of Winnipeg, which already controlled Motorways Inc.

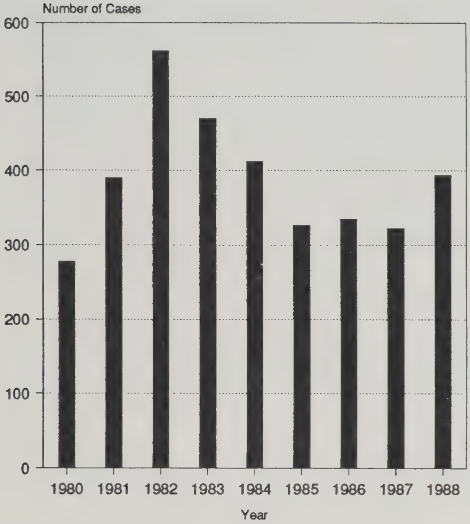
No particular size of firm was singled out as being most susceptible to bankruptcy or take-over, though there were specific elements endemic to each group (small, medium and large firms) which could affect the vulnerability of a firm. Poor cost controls and pricing strategies by carriers were held as prime factors for bankruptcies in trucking.

The number of bankruptcy cases reported for trucking in 1988 totalled 394 - a slight increase over the last three years, though still lower than during the recessionary years, 1982 to 1984 (Figure 4.2).

In 1988, trucking firm bankruptcies typically involved small enterprises operating local transportation services, e.g. haulage, moving, and livestock transport. However, one notable exception was Transport Route Canada which, although it had filed a proposal for bankruptcy during the year, was not officially identified as bankrupt.

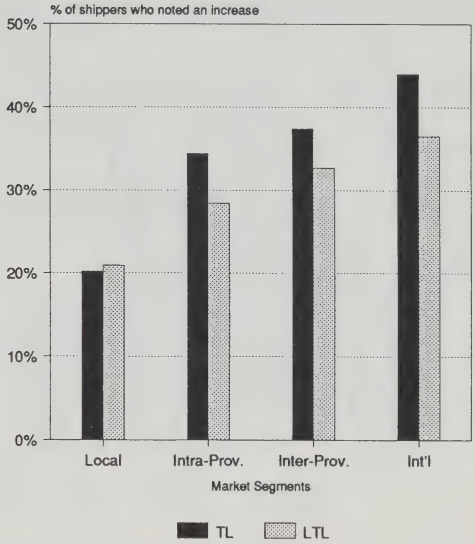
Ninety per cent of the bankrupt companies reported liabilities of less than $200,000, while nearly 70 per cent had liabilities less than $100,000. There were only five bankruptcy cases where the company reported liabilities greater than a half million dollars - two in Ontario, two in Alberta and one in British Columbia.

FIGURE 4.2: NUMBER OF CASES OF BUSINESS BANKRUPTCIES REPORTED FOR TRUCKING 1980-1988



Source : Consumer & Corporate Affairs Canada

FIGURE 4.3: CARRIERS COMPETING FOR SHIPPERS' TRAFFIC



Source : NTA Shippers' Survey

COMPETITION

Shippers' Perspective

Shippers reported an increase in the number of carriers competing for their traffic.

A majority of shippers reported an increase in the number of trucking firms competing for their traffic.

In markets covered by extra-provincial carriers (all except local), the proportion of shippers reporting increased competition was double that for the local sector. The highest proportion of shippers reporting increased competition was in international services, followed by inter-provincial and intra-provincial services (Figure 4.3).

On a regional basis, the increase was more significant in central Canada, where close to half the shippers noted increased competition in truckload services, followed by the western provinces, those of the Atlantic region, and the territories. In all these areas, the noted increase in level of competition was typically higher for truckload than for LTL services (Figure 4.4).

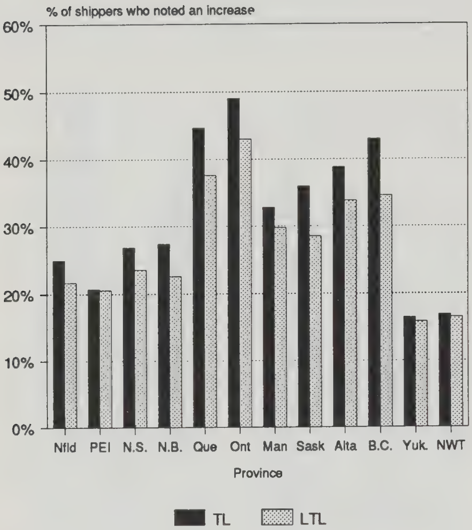
About one-third of shippers reported an increase in the use of the truck mode. Where shifts between trucking and other modes could be identified, these were marginally in favour of greater use of the truck mode.

Carriers' Perspective

Carriers reported new entrants in the truckload segment and penetration in LTL markets by established regional carriers through expansion of routes and services.

The carriers corroborated the shippers' assessment of changes in the level of competition and reported that the truckload sector was characterized by competition from new entrants while market penetration in the LTL sector derived mainly from

FIGURE 4.4: CARRIERS COMPETING FOR SHIPPERS' TRAFFIC



All Trucking Services excl. Local
Source : NTA Shippers' Survey

the expansion of routes and services of established regional carriers.

Despite these structural differences in the sources of competition, carriers noted a substantial degree of overcapacity in both the truckload and LTL general freight sectors. Carriers point to the level of discounting and the rapid absorption of the Transport Route Canada market as an indication of the excess capacity.

About half of the carriers consulted reported an increase in tonnage transported. In most cases, the incremental tonnage was due to an expansion of markets or gain in market share from another trucking company. A small number of carriers indicated a loss of traffic to rail; in most cases, the amounts involved were small relative to the total volume handled. Some carriers reported railways quoting very competitive rates in certain high volume long-haul traffic lanes.

About one in five carriers indicated that they faced increased competition from U.S. owned carriers in the domestic market, in about the same proportion in respect to truckload as LTL; these carriers are based principally in Quebec, Ontario and Manitoba.

While carriers report a greater presence of U.S. carriers in domestic markets, it does not appear to have resulted in widespread destabilization of domestic routes. Broader operating authorities acquired by some carriers have allowed them to strengthen their competitive position by means of a triangular structuring of routes from the central provinces both eastward and westward with transborder legs on return trips.

Transborder

Canadian trucking firms experienced increased competition from U.S. carriers. A number of Canadian carriers are shifting at least part of their operations to the U.S. to be more competitive in the transborder market.

At issue in transborder services are the competitive position of Canadian carriers and the potential for greater market penetration by U.S. carriers.

By the time the new regulatory framework was in place in Canada in January 1988, a number of large U.S. carriers were already operating in Canada, having previously established subsidiaries or acquired existing carriers.

About two-thirds of the carriers providing transborder service indicated that they faced more competition from U.S. carriers in the transborder market. Carriers reported that most of the competition occurred in the general freight sector (both truckload and LTL), though increased competition in other sectors of specialized activity (e.g. liquid bulk) also took place. In some markets, however, carriers indicated that the loss of market share, due to competition from U.S. carriers, was balanced by an expansion in the market. Not all markets were equally affected; in the lower density markets (Atlantic and western provinces) the strategy of U.S. carriers has been largely to retain existing interline arrangements.

The truckload segment was characterized by widespread rate competition arising from new entrants (both Canadian and U.S.). New U.S. entrants were typically regional carriers based in bordering states, smaller in size than U.S. companies already operating in Canada.

In the LTL market, rates were generally more stable than for the truckload segment although discounting took place in some traffic lanes to gain or retain market share in the face of expansion by both U.S. and Canadian carriers and in the face of competition from the truckload segment for consolidated loads.

Carriers reported that, in the LTL segment of the market, large terminal networks allow U.S. carriers greater scope for offering single line service within a broad market area; also, the relative proximity to the U.S. border of the Canadian general freight market (mainly concentrated in southern Ontario and Quebec) allowed U.S. carriers to integrate domestic and transborder operations.

Canadian carriers are concerned about sustained price competition from large scale U.S. carriers (especially in respect to volume shipper discounts), and see the need for the harmonization of the two countries' taxation systems.

In the truckload segment, where operating efficiency is dependent on the ability to balance loads in both directions, traffic patterns and logistics dictate the Canadian carriers' relative position in the marketplace. Canadian carriers maintain that because U.S. carriers do not have to penetrate deeply into Canada to access the major markets, they can draw on domestic U.S. traffic to balance headhaul/backhaul loads. In reaction, a number of Canadian firms have made greater use of U.S. based operators and have set up operations in the United States to serve the transborder market.

Private Trucking

Although for-hire carriers faced more competition from private operators in 1988, they are divided on the long-term impact.

At the start of 1988, private carriers accounted for almost one-third of total industry operating expenses. Private carriers mainly operate locally or within the confines of a province and are domiciled principally in Quebec and Ontario.

Nearly half of the carriers consulted indicated the involvement of private carriers in for-hire carriage. Almost a third reported the loss of some traffic to private carriers. The truckload general freight market, principally in central and eastern Canada, was the most affected. In addition to loss of traffic, for-hire carriers noted the potential for further rate erosion in markets already highly competitive as private carriers solicited loads to reduce empty backhauls.

Alternatively, one-third of for-hire carriers consulted did not consider private carriers to be in a position to provide significant competition or have any long-term impact. For-hire carriers expect that, because of more competitive for-hire services, private carriers will reduce their role in trucking, particularly in view of the impending implementation of more stringent safety regulations.

However, the Shippers' Survey revealed that about 18 per cent of shippers who carry on private trucking also participated in compensated intercorporate hauling in 1988. Moreover, nearly 30 per cent reported that they were active in obtaining operating authorities in 1988 or were planning to do so in the future. More than one shipper out of five that owned a private fleet of trucks reported having increased the size of the fleet in 1988.

TRUCKING OPERATIONS

Impact of Reforms

Many carriers and shippers considered that it was too early to assess the full impact of regulatory reforms.

Based on shipper input and consultations with carriers, it would appear that there was an overall increase in traffic in 1988 over the previous year. Over 50 per cent of carriers reported that tonnage handled had increased while more than 30 per cent of shippers indicated an increase in the number of truck shipments.

For most carriers, this growth underscored adjustments in a marketplace that was being redefined by regulatory changes. In evaluating the impact of entry changes in extra-provincial trucking, a majority of shippers either reported a positive effect or indicated that it was too early to assess the situation.

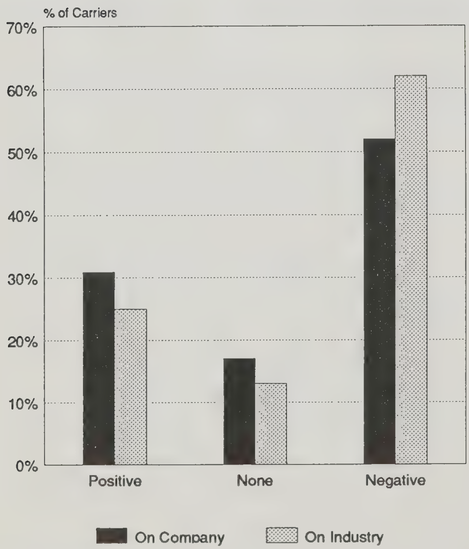
Similarly, carrier assessments were often qualified by the distinction between short-term impact and

long-term prospects; most carriers considered that the real impact would begin with full implementation of the safety provisions of the legislation.

Increased competition and the lack of uniformity in the application of the legislation were deemed to have some impact for carriers in all provinces, at least in the short term. Generally, in the long term (three to five years), the situation was expected to stabilize.

Overall, about one-third of the carriers consulted indicated that the implementation of the new legislation had a positive impact on their operations. This number drops to about one in four carriers when considering the impact on the industry in general (Figure 4.5). This dichotomy between impact on a carrier's own operations versus the industry in general stems from the negative perception (even on the part of some carriers who have gained from regulatory changes) of the lack of consistency among provinces in the application and enforcement of the legislation.

FIGURE 4.5: IMPACT OF REGULATORY REFORM
CARRIERS' ASSESSMENT



Source : NTA Carrier Review

For carriers for whom the perceived impact was positive, the reasons stemmed mainly from opportunities provided through ease of entry into new or expanded markets, and efficiencies resulting from market-based conditions.

A majority of carriers, however, had a less favourable assessment of the impact of regulatory changes in 1988 both on their operations and the industry in general. Negative assessments were based largely on lack of uniformity among provinces in regard to handling of applications, weights and dimensions, and enforcement.

Established carriers, in particular, noted that the regulatory environment during 1988 was one in which it was difficult to plan operations and adjust to new market conditions. Carriers pointed out that the loss of value of operating authorities held prior to regulatory reform was an issue to them.

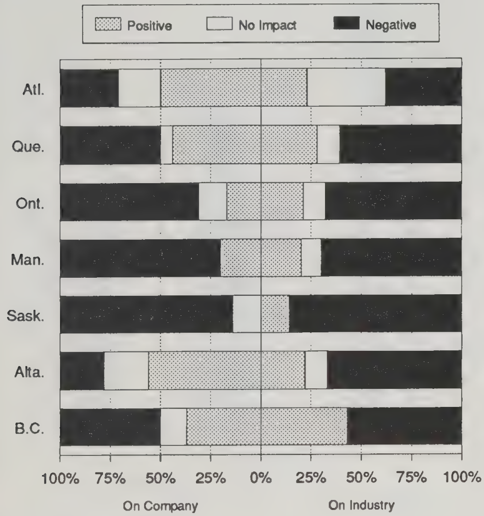
There were marked regional differences in carrier assessment of the impact on their own operations. Positive ratings reported were proportionally highest for carriers based in Alberta, the Atlantic provinces, Quebec and British Columbia (Figure 4.6). These regional differences are likely related to circumstances particular to provincial jurisdictions and their respective orientations towards market entry prior to and following implementation of the MVTA.

Alberta carriers, who had been accustomed to a deregulated environment within their province for a number of years, welcomed opportunities for expansion in other jurisdictions. Early implementation of regulatory reforms in Quebec allowed carriers in that province to broaden and consolidate regional bases.

Carriers in Saskatchewan, Ontario and Manitoba had the highest negative ratings for regulatory reforms. Saskatchewan-based carriers did not see that they could benefit from additional competition arising from less entry controls in their province while target markets (Manitoba, Ontario) had not provided for the same degree of access. Ontario carriers were largely concerned with the uncertain status of regulatory reforms and delays in the processing of applications in that province. Ontario carriers were also concerned about the long-term impact of broader entry by U.S. carriers.

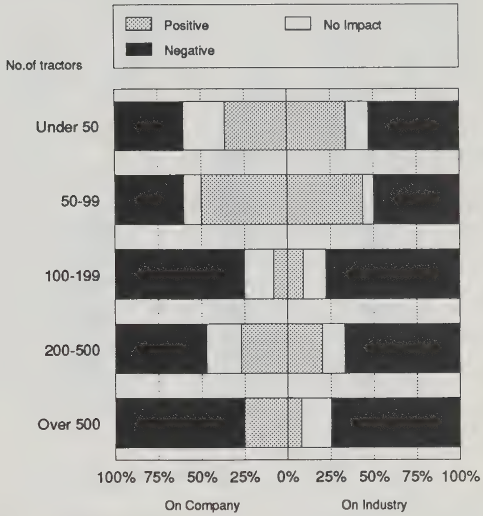
In three of the four regional areas noted above where carriers most frequently rated the impact on

FIGURE 4.6: IMPACT OF REGULATORY REFORM
CARRIERS' ASSESSMENT
BY PROVINCE/REGION



Source : NTA Carrier Review

FIGURE 4.7: IMPACT OF REGULATORY REFORM
CARRIERS' ASSESSMENT
BY SIZE GROUP



Source : NTA Carrier Review

their operations as positive, the assessment was considerably less favourable in regard to the impact on the industry as a whole.

In respect to the size of carrier, the lowest degree of positive impact was registered by medium-sized carriers (operating between 100 and 199 tractors); only 10 per cent of carriers in this group considered regulatory changes to have benefitted their operations in 1988. It was also this group of carriers which was considered most vulnerable to loss of market share from competition in both truckload and LTL segments. By comparison, half of the carriers in the 50 to 99 tractor group and about one-quarter of the larger carriers (200 or more tractors) rated regulatory reforms as positive for 1988 (Figure 4.7).

Rates

In considering rate changes during the first year of regulatory reform, it must be recognized that, while new legislation formally abolished rate controls, extra-provincial rates had previously only been nominally controlled. In fact, since 1985 rate control was reduced to a filing requirement in certain provinces. This contrasts with the stringent enforcement of rate controls prior to deregulation in the United States.

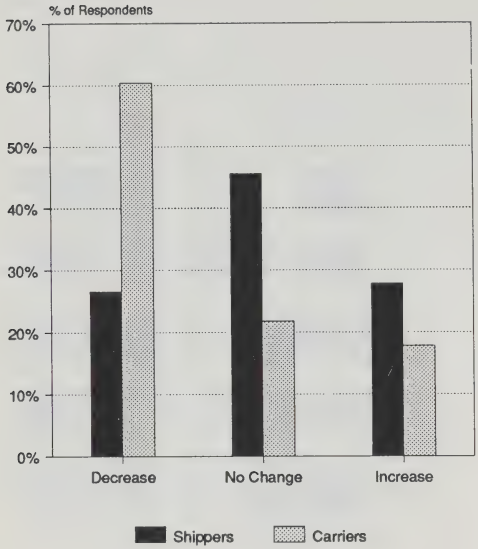
Truckload

There was generally a downward pressure on truckload rates in 1988.

Sixty per cent of extra-provincial truck undertakings reviewed reported decreases in rates. Similarly, close to 30 per cent of the shippers indicated that freight rates for truckload services decreased in 1988 (Figure 4.8). For another 45 per cent of the shippers, truckload rates between 1987 and 1988 remained the same.

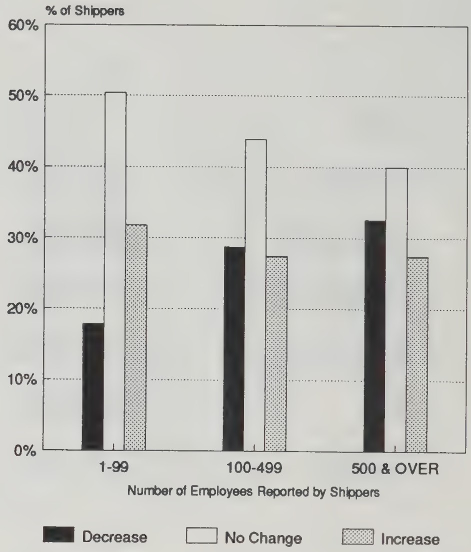
The Shippers' Survey indicated that the level of rate increases or decreases did not vary significantly by size of shipper. However, a higher proportion of large shippers reported a decrease in rates than did smaller shippers (Figure 4.9).

FIGURE 4.8: EFFECT ON TRUCKLOAD RATES



Source : NTA Shippers' Survey and Carrier Review

FIGURE 4.9: EFFECT ON TRUCKLOAD RATES VS. COMPANY SIZE



Source : NTA Shippers' Survey

Increased competition resulting from the influx of new entrants was cited by carriers as largely responsible for the strong pressure on truckload rates, particularly in the high volume general freight markets in Quebec and Ontario. Citing the competitive advantages of new entrants (e.g. lower overhead), established carriers have adjusted rates and increased cost controls to retain market share. Specialized segments of the truckload sector (e.g. bulk, refrigerated) were less affected by rate competition. In the safety-sensitive area of liquid bulk, little discounting was reported though the level of competition increased in some regions.

Less-Than-Truckload

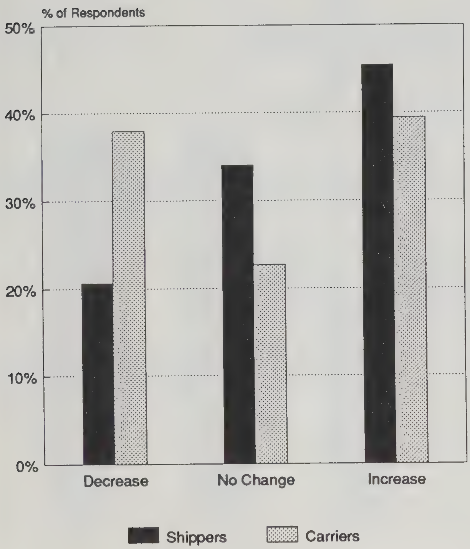
Most shippers reported that rates increased slightly or remained about the same.

Less-than-truckload rates were more stable, though subject to discounting in some market segments. Ontario carriers reported having to offer substantial discounts to retain market share, particularly in transborder traffic. The Atlantic Provinces Transportation Commission noted that discounts are common for LTL as well as truckload freight hauled between the Maritimes and the northeast U.S. A large proportion of respondents to the Shippers' Survey (over 75 per cent) reported either no change or a moderate increase in rate levels. In terms of size of firm, a slightly higher proportion of larger shippers reported rate decreases (Figures 4.10 and 4.11).

In the case of proposed rate increases, 50 per cent of shippers reported that they were successful at reducing or eliminating an increase either through negotiation or by switching to another trucking company.

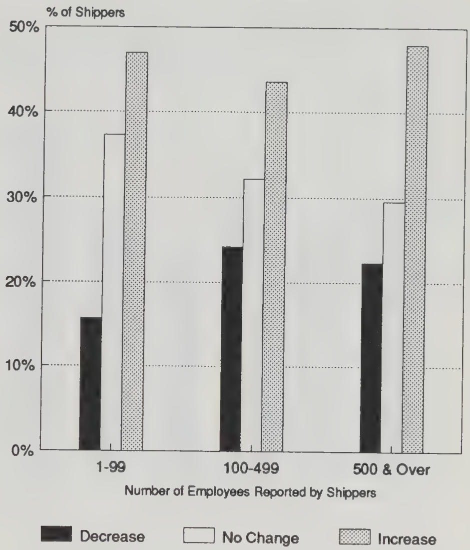
In general, for both truckload and LTL services, carriers encountered some expectations for rate decreases from shippers as a result of the regulatory reforms. Carriers also reported an increasing number of shippers instituting a tender process for large portions of their shipments.

FIGURE 4.10: EFFECT ON LTL RATES



Source : NTA Shippers' Survey and Carrier Review

FIGURE 4.11: EFFECT ON LTL RATES VS. COMPANY SIZE



Source : NTA Shippers' Survey

Service

Shippers rated overall quality and efficiency of carrier service very highly.

The vast majority of respondents to the Shippers' Survey reported that services provided by for-hire firms had improved or remained stable in 1988. Service factors (equipment supply and condition, service frequency, transit time, shipment tracing, product care, claims handling) were rated very highly by shippers for both truckload and LTL.

According to carriers consulted, the major factors arising in dealing with shippers related to prices, transit times, equipment, safety and logistics. While price considerations appear to dominate carrier/shipper relations, increasing emphasis is being placed on other factors.

In the transportation of bulk commodities, equipment configuration and safety were heavily stressed. In the general freight truckload sector, unit costs prevail, putting pressure on carriers to operate the most productive equipment. The LTL sector is characterized by a broad range of price/service options where service is differentiated by shippers' needs. The demand for on-time performance and service reliability in the LTL sector has tended to stabilize the rate structure.

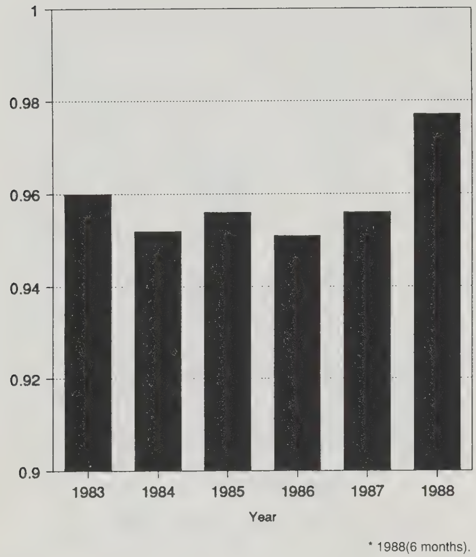
CARRIER PERFORMANCE

Financial indicators for 1988 point to a decline in carrier performance.

Despite generally good economic conditions in most regions, industry performance in 1988 was not as favourable as during the previous five years. The overall operating ratio (operating expenses to operating revenues) of for-hire carriers for the first half of 1988 was estimated at about 0.98. This compares with an annual operating ratio slightly under 0.96 observed for 1987 (Figure 4.12).

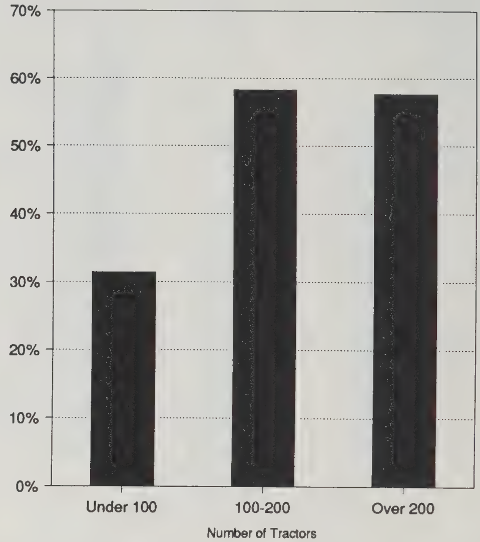
About 40 per cent of carriers consulted indicated a deterioration in their financial condition compared

FIGURE 4.12: OPERATING RATIOS OF FOR-HIRE CARRIERS



Source : Statistics Canada

FIGURE 4.13: % OF CARRIERS REPORTING DETERIORATION IN FINANCIAL SITUATION, BY SIZE GROUP



Source : NTA Carrier Review

to the previous year. In some cases, this situation was the result of adjustments arising from pre-deregulation developments (acquisitions, mergers, expansions, reorganizations); and other factors cited related to revenue losses concomitant with loss of traffic or rate erosion from increased competition.

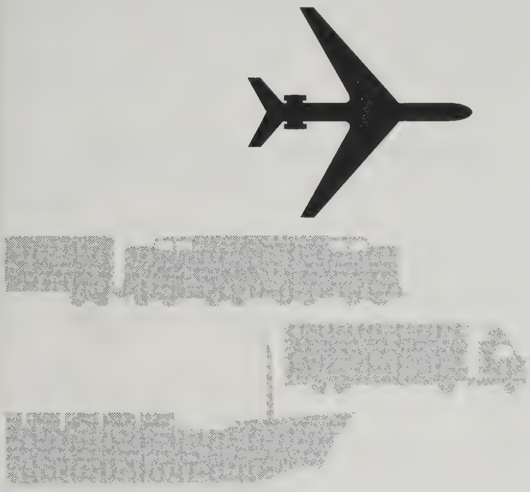
The proportion of carriers adversely affected was twice as high in medium and large carriers as it was in smaller carriers (Figure 4.13).

Increased efficiency (rather than rates) was the prime factor for those carriers who expected to be able to maintain or improve their financial situation in 1988 (about 60 per cent of those interviewed). Productivity gains were made through better utilization of equipment and more effective cost controls. These carriers also indicated that expansion into new markets or improved economies of scale through mergers or acquisitions had permitted greater rationalization of activities.

Reduced operating margins have led carriers to implement more effective cost/pricing systems.

Among carriers of all sizes, there is considerable emphasis on implementing market-segmented costing systems to ensure provision of competitive yet compensatory quotes on freight loads.

To remain competitive, carriers have increased their emphasis on marketing, and placed greater importance on customizing services to shippers' requirements. Large general freight carriers have also tended to diversify into specialized services such as expediting small parcels. Both carriers and shippers have reported joint efforts in improving logistics and scheduling.



AIR SERVICES

HIGHLIGHTS OF 1988

Affiliate networks

Air Canada filled out its affiliate network with the addition of Air Alliance in Quebec and Northwest Territorial Airways in northern Canada. The Air Canada and Canadian Airlines International networks now compete across all regions, offering service to some 150 points in total.

Tariffs

Fare wars continued throughout the year in both business and leisure travel markets and featured new innovations such as bulk purchase discounts in addition to the standard array of seat sales, deep discounts and "frequent-flyer" programs.

Carrier performance

The major airlines flew more passengers and transported more cargo farther, but fare competition forced yields downward with corresponding effects on cash flow and profits.

Fleet replacement/expansion

In 1988, the three major Canadian airlines ordered a total of 83 new jet aircraft worth over $4 billion, with options for another 88 aircraft raising the total potential commitment to some $8.7 billion.

Privatization

In October, the government sold 45 per cent of Air Canada to the public, with the remaining 55 per cent to be offered at a later date. The share issue raised almost $250 million which will be used primarily to fund Air Canada's extensive fleet replacement program.

Airports

Growth in air traffic strained the capacity of air traffic control and ground facilities at Toronto's Pearson International and Vancouver's International airports, resulting in congestion and delays. During the worst two-day period in December, 111 flights into or out of Pearson were cancelled, causing disruption of air traffic from coast-to-coast.

REGULATORY REFORMS

The new National Transportation Act turned "de facto" *deregulation into official regulatory reform.*

Prior to the *National Transportation Act, 1987*, Canada's legislation respecting the economic regulation of air transport provided for comprehensive controls over entry, exit, levels of service, routes, operating equipment, passenger fares and cargo rates.

The application of these controls had been eased substantially in the years leading up to the new Act, but the basic legislative and regulatory framework remained in place.

In May 1984, the New Canadian Air Policy was announced, calling for increased competition and reduced regulatory constraints. Key features of this policy were:

- elimination of defined roles for carriers;
- relaxed entry to markets;
- elimination of licence restrictions on frequencies and aircraft types;
- freedom to discount ticket prices.

(Regulation would be retained in northern Canada to preserve the stability of fragile service networks.)

In July 1985, the government issued "Freedom to Move" — a comprehensive transportation policy statement which reinforced the 1984 initiative and proposed even further regulatory reforms for domestic air transportation. There followed a period of "administrative deregulation" characterized by increasingly liberal interpretation of formerly restrictive regulations. Airlines in Canada took advantage of this unofficial new freedom to realign their operations, setting in motion competitive strategies that would restructure the entire industry.

The *National Transportation Act, 1987*

On January 1, 1988, the new *National Transportation Act, 1987* turned "de facto" deregulation into official regulatory reform. It removed the bulk of economic regulation in southern Canada, reduced it somewhat in the north, and left the regulation of international air services relatively untouched.

Market entry is no longer based on the standard of public convenience and necessity. For southern Canada, an applicant must be "fit, willing and able" (i.e. must have an operating certificate and adequate liability insurance) and be Canadian. Southern licences can no longer be restricted. For northern Canada, the onus is on any objector to show why an application for a licence should not be granted.

Market exit for domestic services now only requires 120 days advance public notice.

Domestic tariffs no longer have to be filed — only published. There is restricted regulatory control over fares on monopoly routes in the southern zone and on all northern routes.

Confidential contracts between carriers and travellers/shippers are now permissible for domestic air transportation.

INDUSTRY STRUCTURE

Carriers and Licences

The number of active air carriers increased slightly, with no widespread demise of incumbents, nor any wave of new entrants to the industry.

By the end of 1988, there were almost 1,700 carriers holding over 3,100 licences to operate air services in Canada or to and from Canada.

Carriers

During the year, the Agency licensed 33 new domestic carriers, the most prominent one being Air Alliance. Nineteen of these new carriers were authorized to operate to, from and within northern Canada.

Since the end of 1987, the number of licensed domestic carriers actually dropped from 1,250 to 775, but this was due primarily to the exclusion of about 350 carriers operating contract, flight training or other specialty air services that were no longer subject to licensing requirements, and another 150 carriers (mainly inactive) that did not meet the new "fit, willing, able, and Canadian" criteria for the issue of replacement licences.

There were also 12 voluntary cancellations, one merger, and one bankruptcy.

The legislation did not substantially alter the regulation of international air services. Nine hundred foreign air carriers operated in 1988, only 35 fewer than in 1987. Approximately 95 foreign carriers did not qualify for replacement licences, while 55 new international non-scheduled and two new scheduled foreign carriers were licensed.

Licences

The manner in which licences are defined changed substantially under the new legislation, thereby making any comparison with previous years somewhat meaningless. The following table sets out the distribution of licences as of the end of 1988.

Table 5.1

Air Transport Licences

Domestic Licences		
Southern Canada		782
Northern Canada		849
Scheduled	102	
Non-scheduled	747	
International Licences		
Held by Canadian Carriers		
Scheduled	87	
Non-scheduled	445	532
Held by Foreign Carriers		
Scheduled	105	
Non-scheduled	838	943
Total		3,106

Majors and Affiliates

The air transport industry has seen the rise of two large carrier families operating fully-competitive coast-to-coast networks.

One of the most prominent developments associated with the deregulation of Canada's air transport industry in the 1980's has been the creation of two large carrier families headed by Air Canada and Canadian Airlines International. These families evolved through a series of acquisitions, mergers and alliances which linked together the operations of national, regional and local airlines and ultimately produced two fully-competitive coast-to-coast networks.

Both networks incorporate hub-and-spoke scheduling, where affiliate carriers organize their flights from outlying points to link up with the parent carrier's operations between major cities or "hubs". This arrangement allows the major carriers to deploy their large jets on the higher-density intercity routes while their affiliates provide the all-important traffic feed. It also enables families to

FIGURE 5.1

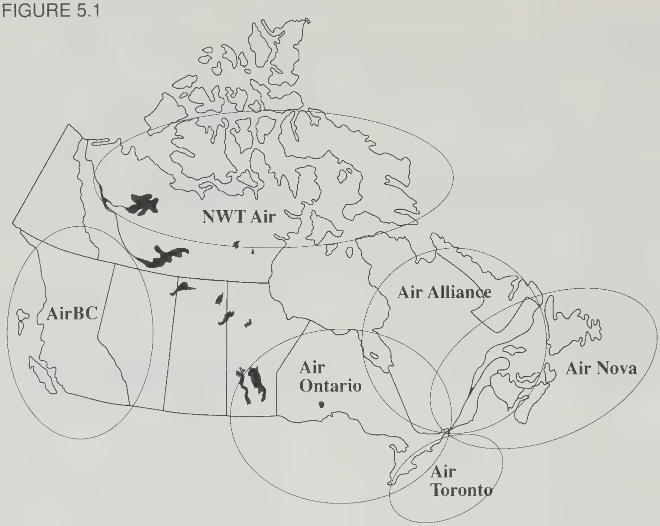


Table 5.2

The Air Canada Family

Carrier	Network	Fleet
Air Canada	points in all 10 provinces; the U.S., the Caribbean, Europe and Southeast Asia.	108 jets
Air Nova (49% owned)	points in Newfoundland, Nova Scotia Prince Edward Island and New Brunswick; Montreal, Quebec City, Ottawa and Boston.	3 jets 7 non-jets
Air Alliance (75% owned)	points in Quebec; Ottawa and Boston.	3 non-jets
Air Ontario (75% owned)	points in Ontario; Winnipeg, Montreal, Hartford, Minneapolis, Cleveland and Detroit.	1 jet 42 non-jets
Air Toronto (commercial agreement)	service between Toronto and 7 northeast U.S. cities.	7 non-jets
AirBC (85% owned)	points in B.C. and Alberta; Whitehorse and Seattle.	3 jets 19 non-jets
NWT Air (90% owned)	points in the Northwest Territories; Edmonton and Winnipeg.	1 jet 7 non-jets

FIGURE 5.2

Table 5.3

The Canadian Airlines International Family

Carrier	Network	Fleet
Canadian Airlines International (PWA Corp.)	points in all 10 provinces and both territories; the U.S., Europe, Central and South America, the South Pacific and Asia.	84 jets 3 non-jets
Air Atlantic (45% owned)	points in Newfoundland, Nova Scotia, New Brunswick and Prince Edward Island; Montreal, Ottawa and Boston.	7 non-jets
Inter-Canadien (35% owned)	points in Quebec and New Brunswick; Charlottetown, Ottawa and Toronto.	5 jets 11 non-jets
Ontario Express (49% owned)	points in Ontario; Brandon, Winnipeg and Pittsburgh.	14 non-jets
Calm Air (45% owned)	points in Manitoba and the Northwest Territories.	15 non-jets
Time Air (46% owned)	points in B.C., Alberta and Saskatchewan; Winnipeg and Minneapolis.	3 jets 29 non-jets

keep passengers on-line for as much of their journey as possible and thereby increase revenues.

In March 1988, Air Canada filled one of the remaining gaps in its affiliate network with the commencement of Air Alliance turboprop service between Montreal, Ottawa, Quebec City and Saguenay/Bagotville.

This was followed in May by the acquisition of a controlling interest in Northwest Territorial Airways, formally establishing a connector role which had been evolving for over a year. Air Canada also negotiated a commercial agreement with Air Toronto to provide connector service between Toronto and seven northeast U.S. cities.

Independent Carriers

The ranks of independent carriers grew in 1988 with the addition of new charter carriers and small local-service airlines; Wardair, First Air and City Express remained the largest independents.

The largest independent carrier, Wardair,[1] completed its second full year as a scheduled domestic carrier. Concentrating on the high-density intercity routes, Wardair added Ottawa to its service network, which already included Toronto, Montreal, Winnipeg, Edmonton, Calgary and Vancouver.

Wardair operated international services to destinations in the United Kingdom and the Caribbean, and during the year, became the second Canadian carrier designated to serve Paris and the Netherlands.

The airline also maintained a presence in its traditional charter markets — namely California, Hawaii, Florida, Barbados and Frankfurt.

First Air upgraded its northern operations in 1988, extending its scheduled jet service between Ottawa and Iqaluit through to Yellowknife and adding Rankin Inlet to its 18-point network. The Yellowknife service competed directly with Canadian and Northwest Territorial Airways.

In addition to its scheduled northern network, the airline continued service to Mirabel and Boston out of Ottawa. First Air also operated passenger and cargo charters to Florida, the Caribbean, Mexico, and the Arctic.

City Express expanded its Toronto-Ottawa-Montreal route network in 1988 with additional services to Quebec City, Sept-Îles and Wabush. It also added Rochester, N.Y. as a second U.S. destination, the other being Newark, N.J. Service to London, Ontario was dropped. City Express entered into an arrangement to participate in Wardair's REWARD frequent flyer program, but otherwise retained its independent status.

In the international charter markets, established carriers — Nationair, Worldways, Air Transat and First Air — were joined in 1988 by several new entrants, providing increased choice for consumers and tour operators. Among the new charter carriers are Vacationair, using Boeing 737 aircraft, Odyssey International and Air 2000, both flying Boeing 757's, and Ports of Call, Minerve Canada and Holidair, all using DC-8's. In addition to its charter operations, Nationair added another scheduled service — Hamilton to London (Gatwick) — to its existing Montreal-Brussels operation.

The shift toward hub-and-spoke feeder networks opened up opportunities for smaller commuter airlines and, between 1984 and 1987, 27 new local-service or "niche" carriers appeared. In 1988, seven more small independents emerged to commence scheduled service — three in the Atlantic provinces and one each in Quebec, Manitoba, British Columbia, and the Northwest Territories.

Concentration

Continued consolidation in the industry has further reduced Air Canada's dominance and resulted in more intensive competition both on heavily-travelled intercity routes and in local-service markets.

In the changing regulatory climate since 1984, the air transport industry has undergone significant consolidation, primarily as a result of Pacific Western Airlines' acquisition of Canadian Pacific Airlines (which had previously acquired Eastern Provincial Airways and Nordair), and the creation of the two major networks. By 1988, the Air Canada and Canadian families plus Wardair handled over

1. On March 23, 1989, the Agency approved a proposed acquisition of Wardair Inc. by PWA Corporation. On April 24, 1989, the Bureau of Competition Policy (Consumer and Corporate Affairs) approved the takeover.

95 per cent of scheduled passengers and earned over 97 per cent of the related operating revenues.

However, any appearance of diminishing competition in this situation is misleading. There is extensive duplication of route coverage between the Air Canada and Canadian networks, and regional affiliates face an increasing number of small commuter carriers as well as each other in the scramble for local or feeder traffic. The presence of Wardair on some of the heavily-travelled intercity routes created additional competition in these markets.

An examination of city-pair markets shows that in 1988 more carriers were providing more service (in both number of flights and total seat capacity) to more points. The Air Canada family increased its scheduled flights per week by almost 19 per cent over 1987 with the largest gains in transborder markets and northern services. Canadian and its affiliates achieved a larger increase of more than 28 per cent, with emphasis on southern domestic markets. Wardair more than doubled its scheduled flights, both in the international and domestic sectors.

This simultaneous expansion and consolidation has had the effect of creating more evenly balanced competition between the industry heavyweights. Air Canada's longstanding dominance has been eroded to the point where the shares of scheduled seat capacity offered by the Air Canada and Canadian families in the fourth quarter of 1988 were virtually identical at 43.4 per cent and 43.9 per cent respectively. Wardair's share of 5.6 per cent was concentrated in the high-density intercity routes. The capacity offered by remaining independents declined to 7.2 per cent.

Air Canada still dominated the international and transborder markets, while Canadian offered almost triple its competitor's capacity in northern services. The large southern domestic market was evenly split.

Table 5.4

Scheduled weekly seat capacity

Carrier	Domestic South		Domestic North		Transborder		International		Total	
	1988	% Change	1988	% Change	1988	% Change	1988	% Change	1988	% Change
Air Canada	290,993	2.8	1,000	0.0	36,591	5.0	13,993	2.6	342,577	3.0
Affiliates	104,985	53.7	22,603	72.8	6,796	85.6	0	NA	134,384	58.0
Total	395,978	12.7	23,603	67.6	43,387	12.7	13,993	2.6	476,961	14.2
Canadian	279,088	(7.8)	33,160	(17.8)	6,569	(33.2)	9,156	17.7	327,973	(9.0)
Affiliates	120,546	110.5	30,820	94.8	3,365	181.6	176	0.0	154,907	108.1
Total	399,634	11.1	63,980	14.0	9,934	(9.9)	9,332	17.3	482,880	11.0
Wardair	53,445	189.4	0	NA	471	(5.8)	7,258	152.7	61,174	180.1
Independents	43,919	(38.8)	31,093	2.5	2,475	(48.8)	1,570	96.5	79,057	(26.6)
Total	892,976	11.4	118,676	18.0	56,267	2.5	32,153	27.2	1,100,072	12.0

Note: ( ) indicates negative figures

Source: Official Airline Guides

INDUSTRY OPERATIONS

Traffic

The generally strong performance of Canada's economy in 1988, combined with continued intense competition among airlines, produced substantial growth in air traffic.

Passenger

All three major airlines posted solid traffic gains in 1988, with a record number of passengers carried on scheduled flights. However, these gains were largely in international markets.

Even stronger growth was apparent in the affiliated carriers' and Wardair's domestic traffic. Using scheduled seat capacity as a gauge (no actual traffic figures are available), Air Canada's Connectors achieved an increase of almost 60 per cent while the figures for Canadian Partners more than doubled; Wardair's seat capacity almost tripled. Gains were strongest in Quebec and Ontario, followed by the Atlantic provinces.

Traffic growth was clearly evident in the results of the Commercial Travellers' Association (CTA) survey which indicated that the average number of trips taken by respondents increased by more than 10 per cent in 1988.

Toronto continues to be the focal point for most of the scheduled traffic in Canada, being included in seven of the top ten scheduled city-pairs. Early figures show that traffic in the Montreal-Toronto corridor increased by 7.5 per cent and maintained its first place ranking. Much larger increases (18 per cent to 28 per cent) were recorded on the Toronto-Vancouver, Toronto-Calgary and Ottawa-Vancouver transcontinental routes.

Transborder (U.S.) and other international scheduled traffic carried by major Canadian airlines increased by over 16 per cent to 6.4 million passengers. Again, Toronto was included in six of the top ten transborder city-pairs with Toronto-New York ranked first.

Charter traffic carried by the three major airlines increased by three per cent, mostly in transborder and international markets.

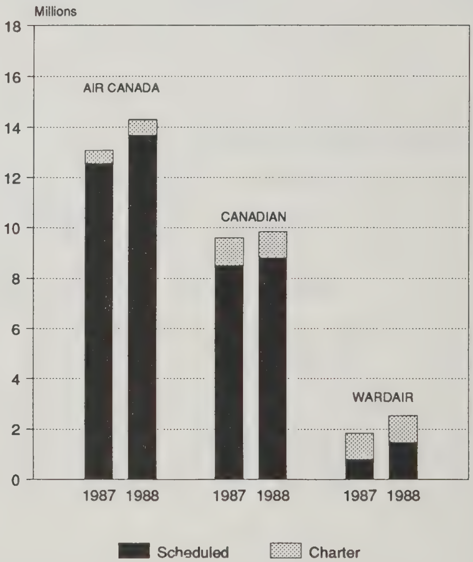
Table 5.5

Passenger Traffic

	Passengers (000's)		Passenger - km (000,000's)	
	1988	% Change	1988	% Change
Air Canada	13,680	8.9	22,813	8.8
Canadian	8,813	3.6	18,018	16.4
Wardair	1,465	81.2	5,233	53.6

Source: Aviation Statistics Centre

FIGURE 5.3: PASSENGERS CARRIED



Source : Aviation Statistics Centre

Cargo

Preliminary figures for the first quarter of 1988 show that the cargo tonnage handled at the top 30 Canadian airports was 15 per cent higher than in

Table 5.6

Goods Traffic

	Goods (000 kg) 1988	% increase (decrease)
Air Canada	247,130	(8.0)
Canadian	134,074	40.8
Wardair	22,608	2.5

Source: Aviation Statistics Centre

Table 5.7

Changes in Air Services Offered

City-pair	Direct flights % change (decrease)	Seat capacity % change (decrease)
Montreal-Toronto	1	25
Toronto-Vancouver	21	50
Ottawa-Toronto	(12)	10
Calgary-Toronto	33	60
Calgary-Vancouver	116	14
Toronto-Winnipeg	30	18
Calgary-Edmonton	8	1
Edmonton-Toronto	27	61
Edmonton-Vancouver	14	1
Halifax-Toronto	13	21
Thunder Bay-Toronto	30	(7)
Vancouver-Winnipeg	0	3
Montreal-Vancouver	333	233
Halifax-Montreal	17	18
St. John's-Toronto	79	23
Kelowna-Vancouver	(10)	(13)
Calgary-Winnipeg	(18)	(13)
Ottawa-Vancouver	8	28
Toronto-Windsor	88	27
Halifax-Ottawa	15	13

Source: ***Official Airline Guides***

the corresponding 1987 period. Air Canada continued to dominate this $700 million industry, but lost ground in 1988 while Canadian achieved a tonnage increase of over 40 per cent.

Service

All regions of the country experienced significantly increased service levels in terms of additional flights, capacity and competition.

Top 20 Markets

Service levels in Canada's top 20 city-pairs increased substantially during the year, as evidenced by a 14 per cent increase in the number of direct flights and a 24 per cent increase in the seat capacity offered (fourth quarter 1988 versus fourth quarter 1987).

The largest increases occurred in markets such as Edmonton-Toronto, Calgary-Toronto, Montreal-Vancouver, and Toronto-Vancouver, where the three major airlines were flying additional frequencies with their new and larger Airbus 310's and Boeing 767's.

The proportion of jet flights in the top 20 markets rose to over 86 per cent, reflecting not only the expanding competition among the majors, but also the use of small jet aircraft by affiliated carriers.

As well as deploying jets in local service, some affiliates were adding longer regional routes to their networks and entering the high-density intercity markets with jet service supplementing their parent airlines' schedules. Examples of this trend are found in Inter-Canadien's Toronto-Montreal and Montreal-Quebec City services, Air Nova's new flights between Halifax, Saint John, Montreal and Ottawa, and Air Ontario's service between Sault Ste. Marie and Toronto.

The Commercial Travellers' Association and Alliance of Canadian Travel Associations surveys showed a widespread acknowledgement of improved service levels across the country.

Atlantic Provinces

A sample of city-pairs in the Atlantic provinces showed increases over 20 per cent in both direct and indirect flights, with a trend toward increased frequencies using smaller non-jet aircraft. The most dramatic growth was in the Saint John-Halifax market where the number of direct flights increased by 51 per cent and seat capacity rose 30 per cent.

Air Nova added Fredericton, Quebec City, Montreal and Ottawa to its network while Air Atlantic commenced service to Churchill Falls and Goose Bay. Inter-Canadien initiated service to Charlo, Charlottetown, Chatham, Moncton and Saint John. Four independent carriers, Jetall, Air Integra, Atlantic Airways, and City Express, opened new service to Atlantic points including Charlottetown, Fredericton, Moncton, St. John's, Digby, Halifax, Port Hawkesbury, Saint John, and Wabush/Labrador City.

The Atlantic Provinces Transportation Commission's report on air services noted substantial improvements in service levels throughout the Atlantic provinces which produced a very positive response from the travelling public.

Ontario/Quebec

City-pairs sampled in Ontario and Quebec underwent large increases in direct and indirect flights (91 per cent and 85 per cent respectively), with non-jet flights more than quadrupling. The trend toward more frequencies using smaller turboprop aircraft was clearly illustrated in the Sudbury-Toronto spoke, where the overall increase in flights reached 300 per cent — all in the non-jet category — while seat capacity increased only 14 per cent.

In Quebec, Air Alliance commenced operations, serving Baie Comeau, Mont-Joli, Montreal, Ottawa, Quebec City, Saguenay/Bagotville, Sept-Îles, Rouyn/ Noranda, and Val d'Or. Air Ontario and Inter-Canadien dropped services to about 20 small points, but in many cases these were added to other networks such as those of Frontier Air, Air Alliance, or Bearskin Lake Air Service.

Ontario Express incorporated Dryden and North Bay while Inter-Canadien extended service to Alma and Dolbeau. Seven independent carriers — Frontier Air, Voyageur Airways, Propair, Bearskin Lake Air Service, Nationair, City Express, and Pem-Air — added service to Attawapiskat, Fort Albany, Fort Hope, Geraldton, Kashechewan, Moosonee, Nakina, Ogoki Post, Peawanuck, Thunder Bay, Earlton, Kirkland Lake, Cat Lake, Fort Severn, Hamilton, Chatham, and St. Thomas, all in Ontario, plus Gatineau/Hull, La Grande, Rouyn/Noranda, Val d'Or, Quebec City and Sept-Iles in Quebec. Air Inuit added six northern Quebec communities, expanding its network to a total of 18 points.

Air services were lost or reduced when certain independents withdrew from markets or ceased operations: Skywalker (Toronto), Trillium Air (Sault Ste. Marie, Thunder Bay, Toronto), Les Ailes de Charlevoix (La Malbaie, Quebec) and Georgian Bay Airways (Parry Sound, Sans Souci Island).

Western Provinces

The Prairie provinces and British Columbia experienced the least growth in domestic service, but still followed the trend with significant increases in direct flights and seat capacity offered. Additional frequencies included a substantial jet component, reflecting AirBC's introduction of its BAe 146 jets on routes such as Vancouver-Prince George, Vancouver-Terrace and Edmonton-Fort McMurray.

AirBC also added Fort St. John, Lethbridge, and Prince Rupert to its network. Canadian Airlines International continued to reduce its jet services on low-density regional and local routes, allowing its affiliates to enter these markets with smaller aircraft. Time Air picked up services to Dawson Creek, Edmonton, Fort Nelson, Fort St. John, La Ronge, Prince Albert, Quesnel, Regina, Saskatoon, Stony Rapids, Uranium City, Williams Lake, Wollaston Lake, and Winnipeg; Ontario Express added Winnipeg and Brandon.

Seven independents — Wilderness Airlines, Northland Air Manitoba, Skylink Airlines, Central Mountain Air, Transprovincial Airlines, Keystone Air Service and Perimeter Airlines — added service to 15 new points including Campbell River, Dean River, Jenpeg, Smithers, Terrace/Kitimat, Bronson Creek, Dease Lake, Prince George, Telegraph Creek, Prince Rupert, Dauphin, Swan River, Winnipeg, Cross Lake and Brandon. Services were reduced or withdrawn at 12 other points previously served by Waglisla Air, Adastra Aviation, Burrard Air and Skylink.

Northern Canada

The Yukon and Northwest Territories experienced improved service levels in connections with southern points with the addition of more direct and indirect flights and a 40 per cent jump in scheduled seat capacity. Many of the new frequencies were jet services, including AirBC's BAe 146 service between Vancouver and Whitehorse, First Air's B-727 service between Yellowknife, Iqaluit and Ottawa, Time Air's F-28 service between Watson Lake and Edmonton, and Northwest Territorial Airways' B-737 service between Edmonton, Yellowknife, Rankin Inlet, Cambridge Bay, Inuvik, and Iqaluit.

Service levels within Yukon were relatively unchanged while those within the Northwest Territories increased significantly. New competition was introduced on nine routes, including Iqaluit-Rankin Inlet-Yellowknife where First Air challenged Northwest Territorial Airways with its own B-727 jet service.

Northwest Territorial Airways added Aklavik, Fort McPherson, Inuvik, Norman Wells and Tuktoyaktuk to its route network, while Aklak Air replaced Kenn Borek Air's service at Aklavik, Fort McPherson, Holman Island, Inuvik, Paulatuk, Sachs Harbour and Tuktoyaktuk. Air North added service to Old Crow, and Ptarmigan Airways dropped its flights to Fort Simpson.

The survey of northern communities noted generally improved service levels, but also pointed out exceptions; some communities in the northern regions of Alberta and Manitoba as well as in the Keewatin Region of the Northwest Territories indicated that air services remained unsatisfactory or had deteriorated in 1988.

Observations

In general, the increased service levels were produced by

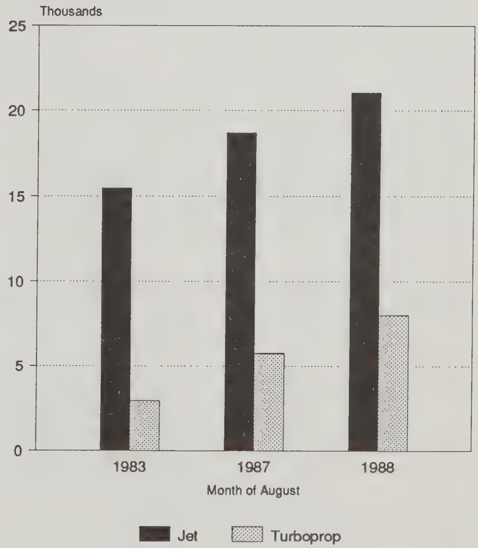
- expansion of affiliate carrier operations in local and regional markets, supplemented by growth in independent carrier activities, and

- competition in the high-density intercity markets between the three major airlines, plus an increasing presence of affiliate carriers on these routes.

The shift toward more frequent flights using smaller aircraft was largely a reflection of the growth of feeder services radiating from hub airports. The volume of these flights, combined with the concentrated peak scheduling associated with hub-and-spoke operations, eventually strained the capacity of air traffic control and ground facilities at Toronto's Pearson and Vancouver's International airports; the situation was further aggravated by a work-to-rule campaign by air traffic controllers. Many flights were cancelled or delayed and, due to the interdependencies in a hub-and-spoke environment, this disrupted air traffic from coast-to-coast. By year-end, however, there were indications that the airlines were moving to consolidate feeder flights by using larger aircraft, thereby optimizing their use of limited landing slots at busy hub airports.

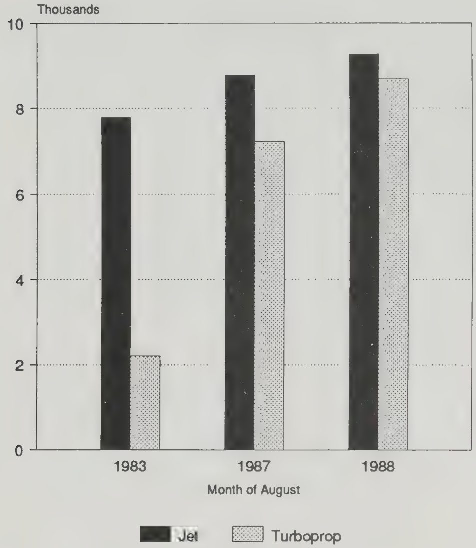
The most frequent additional comment contained in air transport survey returns referred to problems with congestion and delay at Pearson International Airport. The Atlantic Provinces Transportation Commission study pointed out that travellers

FIGURE 5.4: AIRCRAFT MOVEMENTS
Pearson International Airport



Source: Aviation Statistics Centre

FIGURE 5.5: AIRCRAFT MOVEMENTS
Vancouver International Airport



Source: Aviation Statistics Centre

originating in Atlantic Canada show a growing reluctance to use the Toronto gateway in travel plans.

Cargo

Levels of service in the air cargo industry are linked to developments on the passenger side since most freight is carried in belly holds of passenger jets or in jets configured for combination use. Accordingly, in 1988 the air cargo industry offered increased capacity and convenience through expanding route networks, additional frequencies, and new equipment.

Air Canada continued as the only passenger airline to operate dedicated cargo aircraft, and concentrated on its expanding connector network while cutting back on marginal transborder and international services. It is also involved in the fast-growing courier business through its subsidiaries Gelco Express and Northern Messenger.

Canadian expanded its cargo operations with the deployment of larger-capacity Boeing 767 aircraft in both domestic markets and on European and South American routes.

Wardair opened a new cargo centre at Toronto's Pearson International Airport in 1988, and offered greatly increased carrying capacity in its new fleet of Airbus 310's. In addition to its domestic network, cargo operations were concentrated on U.K. routes.

The fact that several northern airports showed up in the top 30 cargo rankings illustrates the importance of air freight to more remote communities. In 1988, Canadian Airlines International, Northwest Territorial Airways and First Air all introduced jets configured for combination service on their northern routes.

Increased service levels were noted in the results of the 1988 Shippers' Survey where respondents using air freight services indicated improvements in the number of carriers, frequency of services, and capacity available. The survey of northern communities, however, showed that the overall quality of cargo service is unsatisfactory at many smaller settlements.

Tariffs

Business and economy fares increased on most domestic routes; in highly competitive markets, more and deeper discounts were available.

Air fares are largely governed by the sophisticated and constantly evolving techniques of yield management whereby airlines seek to increase revenues through optimizing the mix of business, economy and discount seats sold on their flights. This usually involves adjusting the availability and size of discounts and has led to a situation where almost two out of every three scheduled passengers in Canada fly on discount fares.

Analysis of fare levels is difficult without knowing how many of each type of fare were available and sold; for example, it means little that economy fares rose by a certain percentage if only a small proportion of passengers actually travelled on this fare. Nevertheless, certain observations can be made with respect to 1988.

Business fares, providing additional amenities and convenience, are generally available on intercity and commuter routes. Competition for high-yield business traffic is intense, and tends to be based more on service than on price. A comparison of fourth quarter 1988 fares with those from the corresponding quarter in 1987 shows that business fares rose about 10 per cent on most routes. Wardair's business fares were generally 15 per cent lower than Air Canada's and Canadian's, undercutting their economy fares as well.

The economy or basic fare is the lowest unrestricted fare available on a route, and between fourth quarters 1987 and 1988, these increased about six per cent on most of the top 30 routes. Again, Wardair kept its fares lower than the competition, although the 15 per cent margin was beginning to shrink in 1988.

The much-publicized "fare wars" of 1988 involved aggressive use of discount fares, seat sales, and other incentive programs. Wardair launched its own frequent flyer plan, and also introduced bulk purchase discounts for business and economy travellers — a move quickly matched by Air Canada and Canadian. On most scheduled domestic routes, the total number of discount fares available did not change much in 1988, except in markets where competition was particularly intense; in these latter cases, the number of discounts increased and the range went deeper. Although Wardair's business and economy fares were lower than its competitors', Air Canada and Canadian offered more and deeper discounts than Wardair on virtually every route surveyed.

On the highly-competitive long-haul transcontinental routes, such as Toronto-Vancouver, Calgary-Toronto, Edmonton-Toronto, Montreal-Vancouver and Ottawa-Vancouver, there was a noticeable increase in the number of different discount fares offered, primarily by Air Canada and Canadian; the lowest of these fares was also substantially lower than in the fourth quarter of 1987 and represented discounts of more than 80 per cent off the full fare.

The introduction of competition on three northern routes produced varied results in terms of fares. In the Vancouver-Whitehorse and Edmonton-Inuvik markets, where Air Canada Connectors now competed with Canadian's services, economy fares underwent the standard six per cent increase, while there were more and deeper discounts available.

On the Iqaluit-Yellowknife route, both economy and discount fares plunged dramatically.

Survey results were relatively consistent on the subject of tariffs, indicating increases in business, economy and discount fares.

Travel agents responding to the ACTA survey noted a proliferation of discount fares, with increasingly complex rules and conditions attached. Increases in the number of discount fares available were also noted in the survey of northern communities.

The 1988 Shippers' Survey reported that more than half of the respondents shipping by air paid the same rates or less than in 1987. The northern survey also indicated that air cargo rates remained largely unchanged in 1988 except for increases in the Inuvik and Fort Smith Regions of the Northwest Territories as well as in northern Manitoba and Quebec.

Fleet

In 1988, Canada's airlines embarked on ambitious re-equipment programs, ordering new state-of-the-art aircraft to provide flexibility in deployment and lowest possible operating costs.

Majors' Fleets

To bring their fleets into line with their corporate strategies in the deregulated environment, the three major airlines ordered a total of 83 new jet aircraft worth over $4 billion. Options for another 88 aircraft raised the total potential commitment to some $8.7 billion.

Air Canada's extensive fleet featured 33 Boeing 727's and 35 DC-9's which were assigned primarily to short and medium-haul North American routes. Larger Lockheed L1011 and Boeing 747 aircraft were used on heavily-travelled international routes while Boeing 767's were used to serve thinner North Atlantic, transcontinental and long-haul transborder markets. DC-8 aircraft were used exclusively for cargo operations.

In July, Air Canada announced a $1.8 billion order for 34 Airbus 320's, with options for an additional 20, to replace the aging B-727's. The technologically advanced A-320's offer a longer

Table 5.8

Major Airlines Fleet Composition

	1987		1988		ON ORDER	
Air Canada	33	B-727	33	B-727	34	A-320
	35	DC-9	36	DC-9	3	B-767
	8	DC-8 (cargo)	6	DC-8 (cargo)		
	6	B-747	6	B-747		
	15	L1011	14	L1011		
	14	B-767	19	B-767		
	111		114			
Canadian Airlines Int'l	72	B-737	67	B-737	17	A-320
	12	DC-10	13	DC-10	6	B-767
	3	F-27	1	F-27	3	B-747
	1	Electra	2	Electra		
	88		4	B-767		
			87			
Wardair	3	B-747	3	B-747	8	MD-88
	3	DC-10	1	DC-10	16	F-100
	6	A-310	12	A-310	2	A-310
	2	A-300	2	A-300		
	14		18			

range and 47 per cent fuel savings, and require only two flight crew — all of which translate into reduced operating costs. At the same time, Air Canada expanded its longer-range fleet with the delivery of four additional Boeing 767's. Arrangements have been made to sell 28 of the B-727's to the U.S. cargo carrier, Federal Express, and three more to Worldways Canada. Two of the all-cargo DC-8's were sold.

The fleet that was initially consolidated under Canadian Airlines International consisted basically of 72 Boeing 737 aircraft operating in domestic and transborder service, and 12 DC-10's deployed largely on long-haul international routes.

During 1988, Canadian took delivery of four long-range Boeing 767's, providing flexibility to assignments within North America as well as on European and South American routes. It also announced orders for new aircraft totalling $1.6 billion, including three Boeing 747-400's for trans-Pacific services to Hong Kong, Bangkok and Tokyo (with options for four additional), six more Boeing 767's (with options for 14 additional), and 17 Airbus 320's (with options for 34 additional) to replace and supplement the B-737's.

Wardair expanded its all-widebody fleet with the delivery of six Airbus 310's, while disposing of two DC-10 aircraft. It also announced a $2 billion program to increase its North American capacity with orders for two more Airbus 310's, eight new MD-88 aircraft (comparable to the Airbus 320) and 16 smaller Fokker 100 jets, plus options for eight more MD-88's and eight more Fokker 100's.

Affiliates' Fleets

Air Canada affiliated carriers increased their scheduled flights in the fourth quarter of 1988 by almost 36 per cent over the comparable 1987 quarter. The increase in Canadian affiliates' flights was over 76 per cent. Combined with the even higher figures for increases in seat capacity, this

Table 5.9

Major Airlines Scheduled Operating Statistics

	Air Canada			Canadian			Wardair		
	1987	1988	% Change	1987	1988	% Change	1987	1988	% Change
Passengers Carried (000's)	12,562	13,680	8.9	8,507	8,813	3.6	805	1,465	81.2
Revenue Passenger-Kilometres (000's)	20,974,508	22,812,785	8.8	15,476,565	18,017,739	16.4	3,407,367	5,233,245	53.6
Available Seat-Kilometres(000's)	30,069,665	32,298,156	7.4	22,409,296	25,936,569	15.7	5,030,209	7,939,095	57.8
Passenger Load Factor	69.75	70.63	1.3	69.06	69.47	0.6	67.74	65.92	(2.7)
Goods Tonne-Kilometres (000's)	809,644	791,407	(2.3)	329,058	394,764	20.0	64,488	68,712	6.6

Note: ( ) indicates negative figures

Source: Aviation Statistics Centre

indicates a shift toward larger aircraft — a reversal of the trend earlier in the year.

To provide for their expanding services, the affiliated carriers acquired turboprop aircraft such as Jetstream 31's (19 seats), and Dash-8's and ATR 42's (36 to 50 seats). Some of the larger affiliates ordered Fokker 28, Fokker 100, B-737 and BAe 146 jet aircraft to compete more effectively on longer, higher-density routes.

Independents' Fleets

In 1988, City Express standardized its fleet around four Dash-7's and four Dash-8's.

First Air took delivery of one Boeing 727 jet, adding to its existing fleet of three B-727's, Beavers, Twin and Single Otters, DC-3's, HS 748's and Dash-7 aircraft.

CARRIER PERFORMANCE

Expansion in international markets coupled with intense domestic competition produced mixed results for the major airlines — ranging from record profits for Air Canada to severe losses for Wardair.

Operational

In a year of tough industry conditions, Air Canada managed to achieve respectable increases of about nine per cent in both number of passengers carried and revenue passenger-kilometres. This surpassed its rate of capacity increase and boosted passenger load factors to 70.6 per cent. In spite of these improvements and other productivity gains, yields (revenue per passenger-kilometre) dropped in 1988 as the airline discounted domestic fares to meet competitive

pressures and recapture market share lost in the 1987 ground workers' strike.

Cargo operations declined marginally as Air Canada restructured this component to reduce costs and focus on profitable routes.

Canadian Airlines International increased its operational capacity by more than 15 per cent in both passenger and cargo areas. The airline attracted 3.6 per cent more passengers in 1988 through the introduction of new international services to Frankfurt and Munich, competitive domestic scheduling and the continued growth of its extensive feeder network. Larger increases in revenue passenger-kilometres indicate a shift in concentration toward longer-haul routes, and load factors almost matched those of Air Canada. Canadian's yields also dropped in 1988 as a result of the fare-cutting necessary to protect its passenger base.

Wardair's numbers tell the story of its rapidly expanding presence in the high-density intercity markets, utilizing newly-delivered Airbus 310 aircraft. Its lower load factors can be attributed to a number of things, including its relatively new scheduled operations, its lack of a feeder network, and the effects of its competitors' frequent flyer programs. Wardair's efforts to attract business travellers paid off in increased yields, but its low-fare pricing policy kept yields well below those of Air Canada and Canadian.

Financial

In 1988, the major Canadian airlines were caught between the escalating costs of expanding their networks and declining yields resulting from heavy fare discounting. Multi-billion dollar orders for new aircraft represented additional financial pressures looming in the near future.

Air Canada earned a record net income of $96 million for the year, more than double the previous year's figure. Increased operating revenues were largely due to the consolidation of revenues from new subsidiaries (Northwest Territorial Airways, Air Alliance, Gelco Express Ltd.), but also reflect substantial increases in passenger traffic. Other non-operating income was provided through the sale of aircraft.

Table 5.10

Major Airlines Financial Results

	Air Canada*		PWA*		Wardair	
$ Million	**1988**	**1987**	**1988**	**1987**	**1988**	**1987**
Operating Revenues	3,426	3,131	2,176	1,871	544	396
Operating Expenses	3,301	3,027	2,098	1,707	563	381
Operating Income	125	104	78	164	(19)	15
Net Income	96	46	30	28	(22)	36

* Consolidated

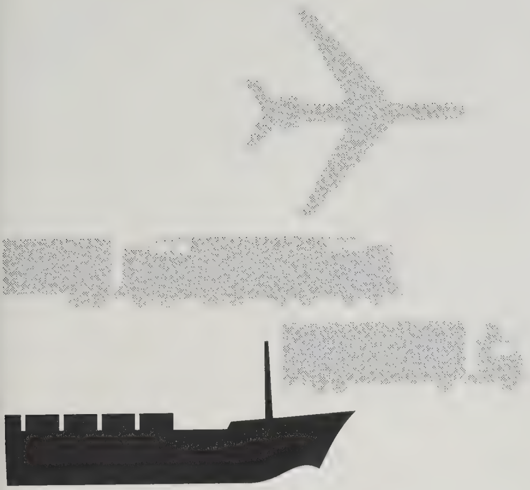
Note: ( ) indicates negative figures

Operating expenses were also pushed upward by the inclusion of new subsidiaries, together with increased expenses for sales commissions and rising maintenance costs. Annual depreciation expenses were significantly reduced.

PWA Corporation (Canadian Airlines International) declared a net income of $30.3 million for 1988. After the previous year's income was cut in half by non-recurring costs related to the integration of Pacific Western Airlines and Canadian Pacific Airlines, the new airline continued to rationalize its network operations and expand both its passenger and cargo capacity. This strategy was designed to ensure longer-term viability, but during a year of intensive fare competition and reduced yields, it produced mediocre financial results.

Wardair's transition to scheduled operations was not expected to produce profits until the early 1990's, and the company incurred severe losses in 1988. The announced loss of $21.6 million represented a drop of almost $58 million from the previous year (note that figures for both years include after tax gains from sale of aircraft of $28.6 million in 1987 and $36.1 million in 1988). The determined efforts of Air Canada and Canadian to protect their market shares blunted Wardair's aggressive price-cutting strategy and although Wardair achieved a 37 per cent increase in operating revenues, it was not enough to match the increased costs of its rapidly-expanding scheduled operations.

Marine Services



CANADIAN INTERNATIONAL LINER TRADE

HIGHLIGHTS OF 1988

Service contracts

The expectation that service contracts, one of the new provisions of the *Shipping Conferences Exemption Act, 1987* (SCEA), would provide shippers with a tool for reducing conference freight rates has not materialized. Unlike the U.S., where thousands of service contracts are in effect, only six contracts were filed with the Agency in 1988.

Independent action

Although independent action, the provision by a conference member line of a rate or service different from the standard tariff, was more widely used in Canadian liner trade than service contracts, there is no evidence that the mandatory right of independent action had a measurable effect on dampening general rate increases imposed on Canadian shippers by conferences in 1988.

Loyalty contracts

The removal of the ability to demand a 100 per cent cargo commitment, along with the advent of service contracts and independent action, sounded the death knell for loyalty contracts, as the remaining conferences using these contracts eliminated them in 1988.

Familiarity with SCEA

The results of the Agency's surveys of Canadian shippers and international freight forwarders conducted in 1988 revealed that the majority of respondents in both groups were unfamiliar with the

provisions or objectives of the new shipping conferences legislation.

Impact of SCEA

Evidence indicates that the Act had little impact on Canadian international liner trade in 1988. Changes in industry structure, traffic levels, level of service and ocean freight rates from 1987 to 1988 were more affected by market forces on various trade routes, the policies of shipping conferences, the continuing rationalization of liner services, and decisions on ocean liner shipping made abroad.

Transpacific Discussion Agreement

In an attempt to reduce the over-capacity problem and raise rates in the transpacific eastbound trade, 13 conference and non-conference lines providing services in the trade formally agreed in 1988 to reduce available capacity by 10 per cent commencing in 1989. If successful, the agreement will stabilize falling rates and eliminate the favourable situation enjoyed by Canadian importers as a result of the imbalance in cargo flows.

TWRA rates

Burgeoning North American exports to the Far East as a result of the drop in the value of the U.S. dollar vis-à-vis major Far East currencies triggered a series of increases in the ocean freight rates of the Transpacific Westbound Rate Agreement (TWRA), a conference providing services to Pacific Rim countries. At year's end, rates continued to climb as cargo demands still exceeded TWRA's available capacity.

Vancouver container clause

The elimination of the requirement to unload inbound containers at the Port of Vancouver in 1988 was expected to aid the port in its battle to regain container trade which had been diverted through the U.S. ports of Seattle and Tacoma, and entice ocean carriers to include once again the port in their itineraries.

Growth of Electronic Data Interchange

Many conferences, individual shipping lines, ports and governments have taken advantage of advances in electronic data interchange to increase their operational efficiencies and meet their documentation needs. A clear example of this trend is the U.S. Federal Maritime Commission's commitment to develop an automated tariff filing and information system.

REGULATORY REFORMS

The new Shipping Conferences Exemption Act *provides a more equitable balance between the interests of Canadian shippers and shipping conferences.*

On December 17, 1987, the *Shipping Conferences Exemption Act, 1987* (SCEA) replaced the *Shipping Conferences Exemption Act, 1979* (SCEA, 1979).

The primary objective of the Act remains the same, namely to exempt certain practices of shipping conferences serving Canada from the provisions of Canada's *Competition Act*. However, the new Act does introduce a number of features which are expected to clarify and narrow the exemptions that conferences enjoy, provide a more equitable balance between the interests of Canadian shippers and shipping conferences, and increase the scope for price competition among member lines of conferences.

Member lines of a conference agree to set rates, charges and conditions of service. To qualify for an exemption from anti-combines legislation, a conference must file its basic agreement with the Agency. However, the exemption does not allow conferences to negotiate freight rates with inland carriers or engage in predatory pricing. The Act also exposes previously-protected agreements between conference and non-conference lines to the provisions of the *Competition Act*.

A major addition to the new legislation includes the mandatory right of member lines of conferences to take independent action - the act of setting a tariff provision for a rate or service item different from the conference's existing tariff provisions.

The SCEA also allows for the use of confidential service contracts by conferences or its member

lines. In such an arrangement, the shipper makes a commitment to provide a minimum quantity of cargo over a fixed period in exchange for a special rate and/or service level from the conference. However, conferences were given the right to establish the terms and conditions governing the use of these contracts.

Also, under the new legislation loyalty contracts no longer require a commitment of 100 per cent of a shipper's cargo.

Finally, the SCEA provides mechanisms for investigating and resolving complaints against conference practices when those practices result in an unreasonable reduction in transportation services or an increase in transportation costs.

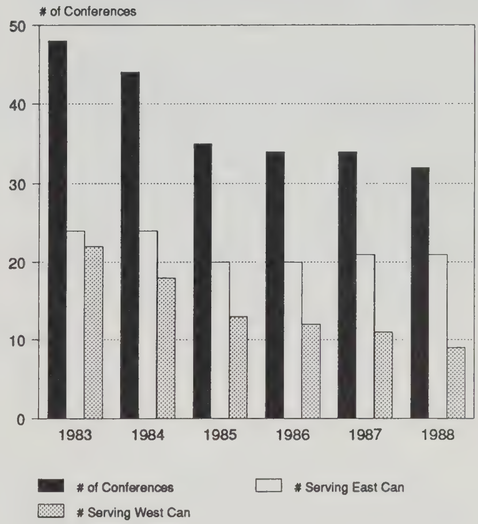
INDUSTRY STRUCTURE

Except on minor trade routes, the presence of conferences remained unchanged in Canadian liner trade.

Shipping conferences — associations of ocean carriers controlling rates, charges and conditions of service offered by their member lines — provide regular and frequent ocean freight service to and from Canada.

The number of conferences serving Canada in each of the past five years can be seen in Figure 6.1 below.

FIGURE 6.1: CONFERENCES SERVING CANADA AS OF DECEMBER 31 OF EACH YEAR



Source: Conference Files

The number of conferences active in Canadian trade decreased from 34 in 1987 to 32 by the end of 1988 as a result of the dissolution of three minor conferences and the formation of one new conference. There was little change in the number of conferences offering inbound (import), outbound (export) and both services from 1987 to 1988. Nor were there any changes in the number of conferences serving Canada on major trade routes in the two year period.

Statistics as reported in Figure 6.1 show that the number of member lines in conferences, the number of conferences serving the Canadian east and west coasts and the number of services provided by shipping conferences in Canadian trade declined in 1988. Restructuring of international liner shipping in line with changing trading patterns, supply and demand factors on various trade routes, and service rationalization appear to be the driving forces behind these changes.

CONFERENCE OPERATIONS

Importance of Conferences in Canadian Trade

Conference tonnages remained relatively stable.

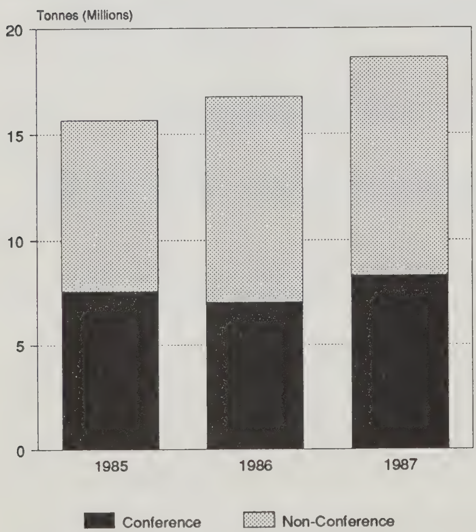
Non-liner bulk shipments consistently account for the vast majority of the total tonnage (i.e. over 200 million tonnes or roughly 90 per cent of total tonnage) moved in Canadian international waterborne trade. This reflects the dominance of bulk commodities in Canadian international trade.

The tonnage carried by conferences, although a much smaller component of Canadian international waterborne trade, is nevertheless significant given

the proportionately higher value of its cargo (i.e. manufactured and semi-manufactured goods). Changes in tonnages moved by conference and non-conference operators in Canadian liner trade in 1985, 1986 and 1987 are depicted in Figure 6.2.

Conference tonnages have remained relatively stable. Independent liners, as a result of their growing numbers and strength, combined with the recent reduction in the number of conference services, continued to dominate liner trade on the Canadian west coast. In contrast, the stability and longevity of conference lines on the east coast trade routes, especially to the U.K. and the Continent, assured that the majority of east coast tonnages were carried in conference vessels.

FIGURE 6.2: CANADIAN INTERNATIONAL LINER TRADE



Source : Agency's Liner Trade Data Base

Service

Levels of service provided by conference and independent carriers did not change appreciably.

In 1988, as in previous years, shipping lines serving Canada introduced new equipment, altered schedules and ports of call, changed space chartering agreements and initiated and discontinued services. However, the net result was little change in the overall level of service provided to Canadian shippers and importers by conference and independent carriers from 1987 to 1988.

Four lines initiated service in eastern Canada while Vancouver saw two major lines shift their operations to the United States, two lines merge, and one other line withdraw from liner trade.

The table below shows the changes in the number of conference and non-conference lines serving Canada on its three major trades routes (i.e. to and from the U.K./Continent, the Pacific Rim and Australia/New Zealand) from the second quarter of 1987 to the third quarter of 1988.

While the frequency of services and average transit times to foreign ports provided by both conference and non-conference carriers to eastern and western Canada remained relatively stable throughout 1987 and 1988, several lines introduced larger vessels. Despite increases in carrying capacities on a number of routes it is difficult to measure the effect of this development on Canadian shippers and importers since many of the lines employing larger vessels call at U.S. as well as Canadian ports and actively solicit U.S. cargo regardless of port of loading. The Agency received no formal or informal complaints from shippers regarding the availability of cargo space in 1988.

Tariffs

Changes in conference tariffs varied on major trade routes.

Changes in conference tariffs were examined for major trade routes between eastern Canada and Australia/New Zealand, eastern Canada and the U.K./Continental Europe, and eastern and western

Table 6.1

Number of Unique Services Offered by Shipping Lines on Major Canadian Trade Routes

To/From Western Canada	**Spring, 1987**	**Fall. 1988**
Conference Lines	23	21
Non-Conference Lines	21	20
To/From Eastern Canada		
Conference Lines	24	23
Non-Conference Lines	35	38

Note: Figures include direct calls to Canada, services to Canada via U.S. ports and landbridge services.

Canada and the Far East. Results of an analysis of a small number of leading commodities (by weight) carried by those conferences operating on major trade routes were consistent with the changes described below.

Eastern Canada - Australia/New Zealand

Two conferences, one inbound and the other outbound, each with the same two member lines, operated on this route in 1987 and 1988. Although the outbound conference did institute a general rate increase of six percent in 1987, it did not increase rates in 1988. Indeed, competition from the large number of non-conference operators on the route, recent reductions in currency adjustment factors and bunker fuel adjustment factors, and the increase in the strength of the Canadian dollar have, in the aggregate, forced rates down over the past two years. Changes in the freight rates of the leading commodities carried by this conference corroborate these observations.

Prevailing market conditions and non-conference competition have also been responsible for generally lower rates on commodities carried by the inbound conference on this route in 1988. Freight rates for the principal commodities remained relatively stable from 1987 through 1988 as they are set by collective negotiations between Australian government marketing boards and all carriers.

It would appear that the new pricing features introduced by the SCEA - independent action and service contracts - were not behind the lowering of the rates on this route as neither were used by either conference. The use of loyalty contracts by these conferences was also phased out in mid-1987.

Eastern Canada - United Kingdom/Continental Europe

Four conferences, two outbound (one to the U.K. and one to continental Europe) and their inbound counterparts, plied this trade route in 1987 and 1988. Line membership is identical in all four conferences.

The two export conferences initiated no general rate increase in 1987; however, in 1988 these same conferences increased the general tariff three times. Despite these increases, freight rates are just now returning to levels considered by the conferences to be acceptable after the devastating rate wars and sluggish volumes experienced in the mid-1980s. The sudden jump in eastbound volumes in 1988, as a result of the weakening of the U.S. dollar against European currencies, restored some degree of balance to cargo flows while simultaneously forcing eastbound rates up. However, Maersk's entry into the trade in 1988 with its substantial carrying capacity may do much to moderate export freight rate increases in the coming year.

These conferences prohibited the use of service contracts and took only two independent actions in 1988; loyalty contracts, under which the majority of export cargo formerly moved, were cancelled effective January 1, 1988.

Despite the recent resurgence of eastbound cargo, the majority of the tonnage continues to be moved by the import conferences on this route and this is reflected in the tariff levels. In 1987, import conferences announced one general rate increase; in 1988, these same conferences instituted two general rate increases. The dominant position of the two conferences in this market, the lack of use of service contracts and independent action, and the continuing strong demand for liner services account for these trends.

Eastern and Western Canada - Far East

Four conferences operate in the transpacific trade. The Transpacific Westbound Rate Agreement (TWRA) is the only outbound conference providing services from east and west Canada to Pacific Rim countries including Japan. Three conferences - the Asia North America Eastbound Rate Agreement (ANERA) providing services to east and west Canada from Pacific Rim countries excluding Japan, the Japan-East Canada (JEC) and the Japan-West Canada Freight Conference (JWC) - provide inbound services to Canada.

Both TWRA and ANERA are joint Canada/U.S. conferences and the JEC and JWC are extensions of U.S. conferences. Changes in rates in 1987 and 1988 are explained, to a great extent, by prevailing trends or developments in the U.S. which account for the largest proportion of liner trade moving on this route.

After a number of years of depressed rates for westbound commodities, TWRA rates began to climb in 1987 with the rate recovery continuing through 1988. The buoyancy in these freight rates in 1988 can be attributed to the decline of the U.S. dollar versus the Japanese yen and the subsequent rise in Canadian and U.S. exports to the Far East. Westbound tonnage originating from the U.S. east, west and Gulf coasts rose, on average, by 33 per cent in 1988.

The sudden growth in exports was responsible for the demand for container slots on vessels exceeding the capacity available, putting TWRA lines under pressure to maximize available capacity and revenues. Indeed, lower value commodities had considerable difficulty in securing space on TWRA vessels. The situation deteriorated to such an extent that TWRA member lines were taking independent actions to increase, rather than decrease, freight rates. Moreover, as demand continued to exceed supply and rates continued to climb, TWRA members were reluctant to sign service contracts with shippers who were asking for a hedge against even higher freight rates.

In contrast, the reversal of cargo flows as a result of the weaker U.S. dollar and the growing overcapacity in the eastbound trade signalled lower rates for commodities moved from the Far East to North America by ANERA member lines in 1988.

To maintain market share, many ANERA members turned to the frequent use of independent action which had the effect of driving rates even lower in 1988. Minimum rate levels had been established by ANERA for independent action in 1987 but these were discontinued with the enactment of the SCEA, and member lines began setting rates below those previously established minima. The use of service contracts in the U.S. eastbound trade in 1988 declined considerably (an estimated 50 per cent of ANERA's cargo moved under service contracts in 1988 as compared to 80 per cent in 1987) as shippers were reluctant to commit themselves to a contract rate when tariff rates were falling so rapidly.

Continuing problems with overtonnaging forced many transpacific carriers to formally agree to reduce capacity by 10 per cent beginning in 1989. Carriers hope that this action will stop the downward spiral of eastbound rates and restore them to more acceptable levels.

Like ANERA, JEC and JWC rates decreased in the first half of 1988 at which time both conferences declared all rates to be open (i.e. member lines were free to set their own rates). Upon declaring open rates, both conferences discontinued filing tariffs with the Agency making it impossible to determine the change in tariff levels in the last half of 1988. However, information provided in the Agency's conference survey revealed that rates continued to drop to the end of 1988.

EFFECTIVENESS OF THE SCEA IN ITS FIRST YEAR

Service Contracts

Little use of service contracts in Canadian liner trade.

Only six service contracts, five import and one export, were filed with the Agency in 1988. Agency surveys of Canadian shippers, freight forwarders and conferences confirmed that very little overseas freight moved on service contracts in 1988. In comparison, close to 500 service contracts were filed with the U.S. Federal Maritime Commission (FMC) in the first year of the U.S. Shipping Act of 1984. About 4,000 service contracts have been filed with the FMC in each of the last three years and it is estimated that some 3,500 are presently in effect in U.S. liner trade.

All of the import contracts filed in 1988 were with companies importing cargo from the Far East. The sole export contract on file pertains to the movement of cargo from Canada to Europe.

The lack of use of service contracts in Canadian liner trade in 1988 would appear to be due to a number of influences. The negative effect, from a conference perspective, of the widespread use of service contracts on general freight rate levels as seen in the U.S., would appear to have increased the aversion of some Canadian conferences to employing them. Moreover, it is understood that conferences operating on some trade routes to and from Canada have adopted policies prohibiting the use of service contracts by member lines.

Many Canadian exports more likely to move under this type of contract such as newsprint, wood pulp and other forest products, move on vessels chartered by the exporter or on non-conference lines specializing in the carriage of these products rather than in liner trade.

Trends in Canadian liner trade were not conducive to the widespread use of service contracts in 1988. While service contracts may have been welcomed by Canadian shippers moving goods to the Far East and to and from the U.K. and Europe, the constantly escalating rates in these trades in 1988 provided little incentive for conferences to lock themselves into long-term contracts which would not maximize their revenues. On the other hand, Canadian importers receiving goods from the Far East were much better off without service contracts since inbound rates continued to plummet as a result of weak demand and overtonnaging in the trade.

While it is unlikely that service contracts will ever attain the stature in Canadian trade that they have in U.S. trade, because of the proportionately smaller number of large shippers in Canada, it is not to say that these contracts will not be used more frequently in coming years.

Independent Action

Only seven conferences made use of independent action.

Independent action is not new to the Canadian international maritime scene, since many of the conferences serving Canada had included the right of member lines to take independent action in their conference agreements prior to the enactment of the SCEA.

Conference tariff filings revealed that, out of 32 conferences, member lines of seven conferences made use of independent action in 1988 compared to five in 1987. The seven conferences were ANERA, TWRA, JEC, JWC, Canadian Group Agreement, 8900 Agreement and the Canada-U.K. Freight Conference.

In terms of the number of independent actions taken in 1988, two of the seven conferences used this pricing option constantly, three others somewhat less frequently (i.e. 50 or fewer taken) and two, very rarely (i.e. ten or less independent actions taken). For those two conferences using independent action constantly, survey results indicated significant proportions of their 1987 and 1988 Canadian tonnages moved under independent action.

Evidence shows that in most conferences, the initiation of an independent rate action by one member line was soon followed by similar rate actions on the part of other member lines and that independent actions were taken on a wide range of commodities. Discounts ranged from 15 per cent to 45 per cent in 1988 and varied according to

conference, line within a conference, commodity, terms of shipment and routing.

At first glance, the independent action provision in the SCEA appears to have had a significant effect on TWRA operations as its member lines made considerable use of independent action in 1988, especially in the carriage of leading commodities moved from Canada to the Far East. However, it should be noted that total independent actions filed by the conference in 1988 actually decreased over the number filed in 1987 (i.e. 1,604 as compared to 2,258). Moreover, independent actions taken in 1988 were, for the most part, simply extensions of those taken in the previous year. As TWRA standard tariff rates rose from 1987 through 1988, most member lines adjusted their independent action rates upward to maintain a constant differential between these rates and standard tariff rates. Discounts offered by TWRA lines ranged from 10 per cent to 40 per cent depending upon commodity, terms of shipment and routing.

In ANERA's case, member lines of this conference continuously employed independent action through 1987 and 1988. The removal of minimum rates, precipitated by the SCEA, allowed member lines to take independent action below previously established minima. An examination of leading commodities moved by ANERA in Canadian liner trade during this period revealed that rates for these commodities generally fell primarily because of rate actions taken by lines. It was discovered that most lines generally followed each others' leads regarding independent action so that, although shippers were apt to receive reductions ranging from 10 per cent to 30 per cent on these commodities, most lines charged similar rates for each of the commodities. The incessant use of independent action by ANERA member lines is best illustrated by the conference's restructuring of its tariff in 1988 to accommodate independent action to the virtual elimination of its standard tariff.

While the mandatory inclusion of the independent action clause in conference agreements filed under the SCEA had a minor impact on lowering freight rates on Canadian imports from the Far East, it would seem that other factors such as shifts in trade flows and the imbalance of shippers' demands and available capacity were much more prominent in determining rate levels for conference services on this route in 1988.

Loyalty Contracts

Loyalty contracts disappear in 1988.

Under the former shipping conferences' legislation, loyalty or patronage contracts provided Canadian shippers and importers with an opportunity to obtain a discount (of no more than 15 per cent) below the standard conference freight tariff in exchange for a formal commitment (normally 100 per cent) of their cargo to the conference.

Since 1980, the use of loyalty contracts by conferences serving Canada has been declining. With the passage of the U.S. Shipping Act of 1984, which legitimized the use of service contracts and the right of independent action by conferences operating in the U.S. liner trade, this decline accelerated. Only ten of the 41 conferences serving Canada in 1984 were using loyalty contracts; by 1987, this number had dropped to three. Changes in the SCEA eliminating the right of a conference to demand a 100 per cent cargo commitment were instrumental in the remaining conferences eliminating their use. Until recently, the large majority of Canadian liner cargo moved by conferences operating in the eastern Canada - U.K./continental Europe route did so under loyalty contracts but, by January 1, 1988, even these conferences had eliminated their use.

It would appear that the changes in the SCEA regarding loyalty contracts hastened their demise as did the Act's formal recognition of the use of service contracts and independent action by conferences serving Canada.

Shippers' Perspective

Most shippers noticed little impact of SCEA on their business.

Results of the shippers' survey indicate that close to two-thirds of all shippers and importers responding in 1988 were unfamiliar with the SCEA. Only seven per cent of respondents characterized themselves as being very familiar with this new legislation. According to tabulations, larger shippers as well as those shippers or importers who arranged the transportation of their goods directly with ocean carriers (as opposed to using

Table 6.2

Shippers' Assessment of *SCEA*

Effect of:	Beneficial (%)	No Effect (%)	Not Beneficial (%)
SCEA in General	29	63	8
Service Contracts	21	74	5
Independent Action	32	65	3
More Than One Designated Shippers Group	13	85	2
Loyalty Contracts (Commitment of Less Than 100% of Volume)	18	79	3
Stipulation of Notice Period for Tariff/Surcharge Increases	27	63	10
Complaint Resolution	7	90	3

freight forwarders) were more likely to be familiar with the SCEA than smaller shippers.

Shippers and importers were also asked to rate the effect of the new provisions of the legislation as well as its overall impact. The aggregated ratings of respondents who were familiar with the Act are shown in Table 6.2.

In the case of independent action, a new provision in the legislation, only 15 per cent of shippers and importers surveyed reported making use of independent action rates in the transportation of their shipments. A total of 41 shippers in the sample reported requesting conference carriers to take independent action; 27 of these shippers were successful 50 per cent of the time or more in persuading conference carriers to file for independent action.

Regarding service contracts, only four percent of the respondents indicated using this new SCEA pricing feature. The reported usage of service contracts may be inflated as a result of shippers confusing service contracts with loyalty contracts, and including U.S. service contracts.

In rating the level of service received from conference and non-conference ocean carriers in 1988, respondents rated non-conference carriers better on price/rate, but conference carriers received better ratings regarding frequency of sailings, space availability, transit times and overall service.

Some 10 per cent of shippers responding to the marine section of the Agency survey provided substantive views on the legislation. Most frequently mentioned by shippers and importers were difficulties they encountered in negotiating service contracts, independent action rates and general ocean freight rates with member lines of conferences.

Freight Forwarders' Perspective

SCEA had little impact on freight forwarders' operations.

In addition to shippers and shipping conferences, the Agency also polled Canadian international freight forwarders for their views of the impact of

the SCEA legislation on their operations in 1987 and 1988.

Survey results reveal that freight forwarders were somewhat more familiar with the SCEA than individual shippers; just under one-half of forwarders indicated that they were generally familiar with the provisions of the legislation. Regarding its impact, just under two-thirds of these forwarders reported that the Act had only a marginal effect on their business in 1988.

In arranging for the transportation of their clients' inbound and outbound shipments, the majority of forwarders assigned cargo to conference and non-conference shipping lines on a relatively equal basis. With respect to the relative importance of selecting a shipping line for their clients, the overwhelming majority of forwarders considered prices/rates to be the most important factor, followed by the frequency of sailings offered by the line.

Regarding the use of independent action, about 25 per cent of forwarders reported moving clients' import and export cargoes on independent action rates frequently. One-half of the respondents noted that they had not used independent action rates at all in 1988. Forwarders were mixed in their views of the effect of the independent action provision on the conference system, with 14 per cent saying that it weakened the conference system, 14 per cent saying it strengthened it, and the remainder replying that it had no effect, they did not know or it was too early to tell.

A final point regarding independent action concerns the forwarders' views on the 15-day notice period that member lines are required to give to their conferences. The survey returns showed that 50 per cent of forwarders felt the notice period was too long and the other 50 per cent felt it was appropriate.

Of the various types of rates available to forwarders, service contracts and loyalty contracts were reported to be the least used. However, a large majority (80 per cent) of the forwarders responding never approached conferences regarding the negotiation of service contracts.

In general, the freight forwarders had no major complaints or concerns regarding the operation of the SCEA. However, a few reflected some dissatisfaction with conferences, noting that they tended to be inflexible at times regarding shippers' needs, particularly in allowing member lines to take independent action.

Conferences' Perspective

Conferences indicate minor impact of SCEA on operations.

Three-quarters of all conferences serving Canada completed the Agency's survey questionnaires in 1987 and 1988. Two conferences in 1987 and three in 1988 indicated that the scope of their operations did not warrant completing the survey, and six other conference sections filed joint returns.

The issue of independent action was addressed by ten conferences, with five conferences expressing the desire to see this clause eliminated from the Act and five indicating a preference for the extension of the present 15-day notice period. In relation to the effect of independent action on rates in 1988, only three conferences responded that they had reduced rates while the other two were of the opinion that it had no effect.

Loyalty contracts were also mentioned as an issue by ten respondents who favoured a return to the provisions contained in the SCEA, 1979 (i.e. the conferences could demand a 100 per cent cargo commitment from their shippers). Conferences were of the view that, with less than a total commitment by the shipper, there would be no way of determining if minimum requirements of loyalty contracts had been fulfilled, thereby rendering the contract unenforceable.

Nine conferences reported increasing rates in 1988 with operating costs, line capital costs, and increases in ancillary charges most frequently cited as contributing to the increases.

In relation to service contracts, 11 conferences advocated no changes to current provisions while nine declined to respond.

One conference indicated the SCEA's positive effect on the way business is done, four noted a negative effect, and 15 said there was no effect.

IMPACT OF THE SCEA

Evidence indicates that the SCEA had little impact on Canadian international liner trade in 1988. Changes in industry structure, traffic levels, level of service and ocean freight rates from 1987 to 1988 were more affected by the play of market forces on various trade routes, the policies of shipping conferences, the continuing rationalization of liner services, and decisions made abroad on ocean liner shipping.

Few service contracts were filed in 1988. Independent action enjoyed wider use, but had only marginal impact (and only on one trade route). In fact, independent action was sometimes taken to increase rather than decrease rates. The SCEA effectively eliminated loyalty contracts from Canadian liner trade.

Results of Agency surveys of Canadian shippers, international freight forwarders, and conferences serving Canada confirmed the minimal effects of the SCEA on their respective operations, and the widespread unfamiliarity with the details of the legislation.

NORTHERN MARINE RESUPPLY

HIGHLIGHTS OF 1988

Withdrawal of Arctic Transportation Ltd.

The withdrawal of Arctic Transportation Ltd. from community resupply in the Mackenzie system and the sale of its river equipment to Northern Transportation Company Limited, the system's major water carrier, was the year's major development. Prior to the commencement of the 1988 season, Arctic Transportation Ltd. informed the Agency that it would not be applying for a community resupply licence. This has had the effect of strengthening Northern Transportation Company Limited's dominant position in the system.

Completion of Saskatchewan Power Corporation's hydro line

The completion of the work on Saskatchewan Power Corporation's new hydro line along the north shore of Lake Athabasca was the major development in the Athabasca system. Its completion will resurrect the 1983 to 1986 trend toward declining cargo tonnages in the system, especially with respect to bulk fuel movements.

Precarious position of Cree Band Marine Ltd.

Cree Band Marine Ltd. experienced a number of problems in 1988 which prohibited it from providing a regular barging service.

REGULATORY REFORMS

Major changes included the repeal of the Transport Act, *the streamlining of licensing procedures and the easing of tariff filing requirements.*

Recognizing its obligation to ensure that remote northern communities receive the water transportation services necessary to their economic survival at a reasonable cost, the Federal government, through the Canadian Transport Commission, regulated the movement of passengers and goods in the north under the *Transport Act* until 1987. There were considerable changes to this regulatory regime in 1988 with the passage of the *National Transportation Act, 1987* (NTA) and the subsequent repeal of the *Transport Act*.

Of major importance was the deregulation of the marine movements of national defence cargo and of cargoes in support of the exploitation and exploration of non-renewable resources in the north. However, the NTA stipulates that licensing requirements apply to water carriers providing community resupply services in the Mackenzie River and western Arctic and Athabasca systems (Figures 6.3 and 6.4). Under the *Transport Act*, the Canadian Transport Commission regulated the movement of all passengers and goods in the two systems. Bulk fuel movements in the western Arctic, which had not been regulated, are now included within the definition of community resupply cargo and subject to regulation.

The Act also allowed for the grandfathering (upon application) of those carriers who had, in the five years preceding the passage of the new NTA, provided community resupply services in the two systems.

The new legislation also streamlines the licensing process by authorizing the issuance of community resupply licences for an indefinite duration rather than for a one-year period (as was the case under the *Transport Act*) and by licensing a carrier's total capacity rather than individual pieces of equipment.

Changes in tariff provisions call for carriers to file with the Agency actual tariffs being charged and to publish these tariffs in the communities they serve in lieu of having the regulatory body approve a maximum standard tariff.

INDUSTRY STRUCTURE

The structure of both the Mackenzie and Athabasca systems remained relatively unchanged.

While the northern marine resupply environment underwent major regulatory changes, the structure of the industry was not materially affected from 1987 to 1988.

In 1988, the Agency licensed three carriers - Northern Transportation Company Limited, Cooper Barging Service Ltd. and Coastal Marine Ltd. - to provide resupply services in the Mackenzie system. In 1987, these three carriers, as well as Arctic Transportation Ltd. and Len Cardinal Transport, had been licensed. Beluga Tours Ltd. was also providing services under interim operating authority. Arctic Transportation Ltd. declined to apply for a licence for the 1988 season but continued to operate in support of oil and gas development in the Beaufort Sea.

Northern Transportation Company Limited has been the dominant carrier in the Mackenzie system for many years; however, in 1988 it further strengthened its position as a result of the withdrawal of Arctic Transportation Ltd. and its purchase of Arctic's river equipment.

In the Athabasca system, the Agency licensed two carriers in 1988, A. Frame Contracting Ltd. and Cree Band Marine Ltd. While A. Frame Contracting Ltd., the principal carrier in the system, operated through the 1987 season, Cree Band Marine Ltd. continued the service of Pine Creek Marine (a licensed carrier in 1987 that went into receivership toward the end of the season) using the latter's self-propelled barge. Sidney McKay, also licensed to operate in the system in 1987, was exempted from licensing provisions in 1988 on the basis of equipment capacity. Mr. McKay operated his own equipment only occasionally in 1988.

FIGURE 6.3
THE MACKENZIE RIVER AND WESTERN ARCTIC REGION

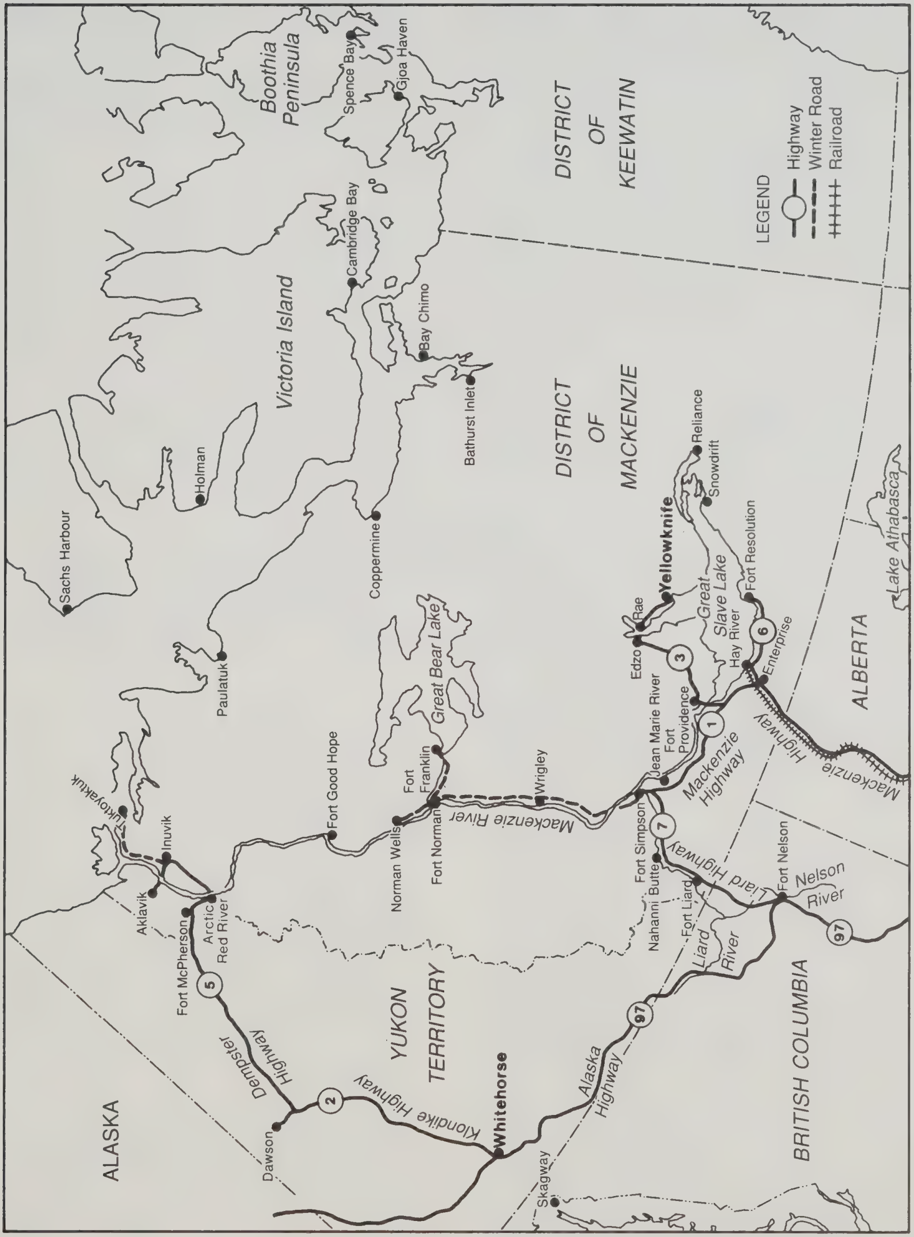
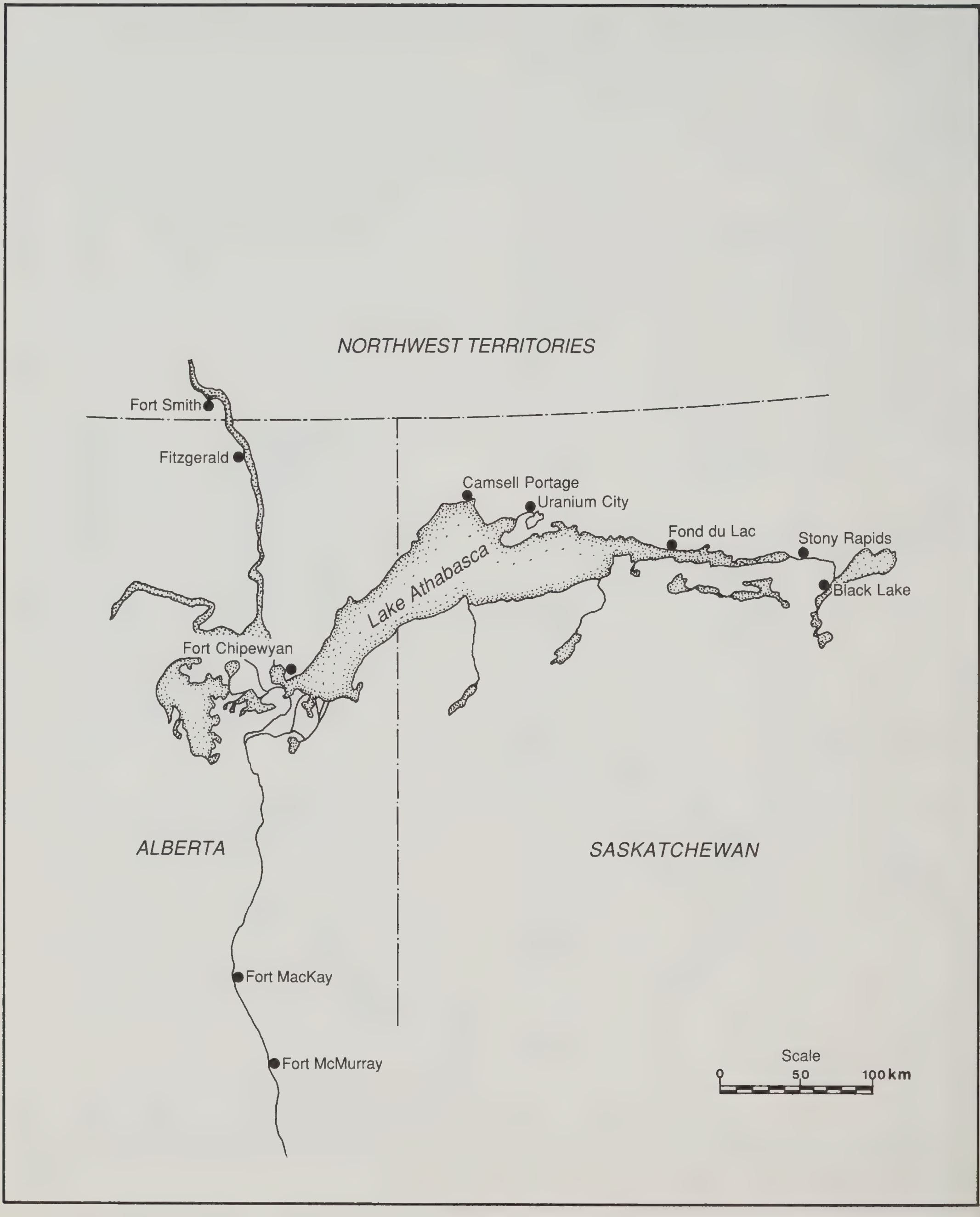


FIGURE 6.4
LAKE ATHABASCA REGION



NORTHERN MARINE OPERATIONS

Areas of Operation and Level of Service

No significant changes in the number of communities served and the capacity available in the Mackenzie and Athabasca systems.

There was no significant change from 1987 to 1988 in the number of communities served by licensed carriers, nor in the carrying capacity available in the Mackenzie system. Northern Transportation Company Limited continued to offer services to all major communities which it had resupplied in 1987, utilizing 72,246 registered tons of equipment. Cooper Barging Service Ltd., with a licensed tonnage of 933 registered tons, continued to satisfy what little demand for marine resupply remained on the Nelson and Liard Rivers and also provided unscheduled and charter services between Fort Simpson and Norman Wells. Beluga Tours Ltd. provided a service with a registered tonnage of 215 tons in the vicinity of Norman Wells throughout the 1988 season. Coastal Marine Ltd. also provided a charter service using equipment totalling 234 registered tons between Inuvik and Tuktoyaktuk in 1987 and 1988.

The number of calls made by Northern Transportation Company Limited to the northern communities it served in 1988 was comparable to 1987, given that community resupply tonnages (of which Northern Transportation Company Limited is virtually the only carrier) remained relatively stable. Beluga Tours Ltd. also maintained its 1987 level of service in 1988, continuing to provide charter services to Esso Petroleum in Norman Wells. Due to major refitting of its tug in 1988, Coastal Marine Ltd. only began operations in August, considerably limiting its number of trips between Inuvik and Tuktoyaktuk. The level of service provided by Cooper Barging Service Ltd. also increased in 1988 as a result of its contract with Chevron Oil.

In the Athabasca system, A. Frame Contracting Ltd., using a fleet totalling 2,761 registered tons in 1987 and 1988, serviced the communities of Fort Chipewyan, Fort Fitzgerald, Camsell Portage, Uranium City, Fond du Lac and Stony Rapids from Fort McKay in 1987 and 1988. With the exception of Fort Fitzgerald and Uranium City, Cree Band Marine Ltd., operating one self-propelled barge totalling 240 registered tons in 1987 and 1988, was also licensed to serve the same communities in both years although insurance restrictions prevented it from making any trips to Fond du Lac and Stony Rapids in 1988. Sidney McKay operated a single vessel on an unscheduled basis between Fort McKay and Fort Chipewyan in both years.

A. Frame Contracting Ltd. sailings dropped from 14 in 1987 to 11 in 1988 with the winding down of work on the Saskatchewan Power Corporation hydro line. Similarly, constant equipment breakdowns adversely affected the number of trips planned by Cree Band Marine Ltd. in 1988, its first full year of operation.

Traffic

Tonnage carried decreased in the Mackenzie system and increased in the Athabasca system.

Total freight tonnage moved by licensed carriers operating in the Mackenzie system decreased by 12 per cent in 1988. The trend in freight tonnages carried in the system over the past six years is illustrated in Figure 6.5.

With the exception of 1985, when marine operators enjoyed a slight resurgence in tonnage as a result of the oil and gas related activities in the Beaufort Sea, freight carried has consistently declined since 1983.

Community resupply cargoes accounted for 80 per cent of total tonnage carried by all operators in 1988. Northern Transportation Company Limited was again the primary mover of this type of cargo by a wide margin; 83 per cent of its total freight carried in 1988 consisted of community resupply. Resupply constituted 50 per cent of Cooper Barging Service Ltd.'s total tonnage in 1988 but the system's other two carriers - Beluga Tours Ltd. and Coastal Marine Ltd. - relied almost exclusively on the resource sector to charter their equipment.

Almost 93 per cent of the resupply cargo carried by Northern Transportation Company Limited in 1988 originated from Hay River and Norman Wells. The majority of tonnage moved from these points consisted of bulk fuel shipments. Major destinations included Inuvik (28 per cent of total tonnage), Yellowknife (26 per cent), Norman Wells

(9 per cent), Cambridge Bay (7 per cent) and Tuktoyaktuk (6 per cent). Freight movements in support of the resource sector have waned in recent years; however, resupply tonnages have remained relatively stable and continue to be the mainstay of the system's major carrier.

In the Athabasca system, an index of the changes in bulk fuel, deck cargo and total tonnage carried by A. Frame Contracting Ltd., can be seen in Figure 6.6 for 1984 through 1988.

While freight moved in support of the construction of the Saskatchewan Power Corporation hydro line in 1988 had the effect of reducing the relative proportion of regular resupply cargo carried by A. Frame Contracting Ltd., the latter still accounted for 55 per cent of the carrier's total tonnage. Despite a second consecutive year of increased tonnages, the completion of the hydro line will once again make A. Frame Contracting Ltd. almost totally reliant on regular resupply cargoes. Moreover, the project's completion will substantially reduce Saskatchewan's Athabasca communities' requirements for bulk fuel in coming years, further reducing resupply cargo available to A. Frame Contracting Ltd.

Cree Band Marine Ltd. operated irregularly in 1988, concentrating on moving deck cargo for the Cree and Fort Chipewyan Indian Bands to Fort Chipewyan. Sidney McKay also moved small quantities of lumber, school supplies and groceries to Fort Chipewyan.

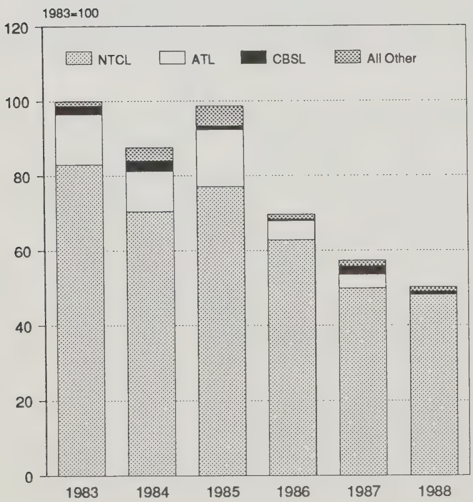
Tariffs

Only two carriers applied for tariff increases.

Northern Transportation Company Limited filed for an increase in its Mackenzie tariff which became effective for the 1988 season.

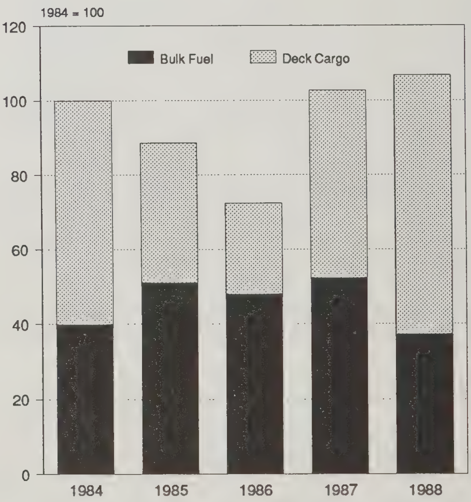
An analysis of Northern Transportation Company Limited base freight rates for the movement of personal goods, light vehicles, and general merchandise from its terminal at Hay River to the major destinations of Norman Wells, Tuktoyaktuk,

FIGURE 6.5: MACKENZIE RIVER AND WESTERN ARCTIC INDEXED CARGO MOVEMENTS BY CARRIER 1983-1988



Source : Annual Commercial Water Carriers Reports

FIGURE 6.6: INDEXED TONNAGE CARRIED BY AFCL ON THE ATHABASCA SYSTEM 1984-1988



Source : Annual Commercial Water Carriers Reports

Cambridge Bay and Spence Bay revealed that the increase in rates averaged approximately three per cent in 1988. In comparison, the Yellowknife consumer services price index rose by 2.4 per cent from 1987 to 1988.

A. Frame Contracting Ltd. also filed for a tariff increase in its bulk fuel freight rates in 1988 effective upon commencement of the 1988 shipping season. Base rates for this community from Fort McKay rose by 10 per cent to Stony Rapids, 11 per cent to Fond du Lac and by 16 per cent to Fort Chipewyan. In comparison, consumer services price index rose by 2.8 per cent in Alberta and by 3.6 per cent in Saskatchewan from 1987 to 1988.

Carrier Performance

Most community resupply carriers remained in a solvent position.

Based on discussions with carriers at the end of the season, most carriers providing resupply services managed to remain solvent.

In the Mackenzie system both Cooper Barging Service Ltd. and Coastal Marine Ltd., being affiliated with other companies, are to some extent insulated from the vagaries of barging operations in the North. Northern Transportation Company Limited, on the other hand, relied on community resupply freight to provide it with a base revenue, supplemented with revenues from the carriage of whatever resource sector cargo was available in 1988, to remain viable. Beluga Tours Ltd. also managed to end the 1988 season in a favourable financial position.

In the Athabasca system, A. Frame Contracting Ltd. enjoyed another profitable year as a result of significant revenues earned on the movement of freight for Saskatchewan Power Corporation's hydro line. In contrast, it is understood that Cree Band Marine Ltd. incurred a deficit in the provision of community resupply services in 1988.

Reaction to the New Legislation

Carriers generally satisfied with the new legislation.

Discussions with licensed carriers operating in the Mackenzie and Athabasca systems in 1988 revealed, for the most part, satisfaction with the new legislation. Carriers were unanimous in their support of the streamlining of licensing procedures and the reduced paper burden.

Many of the licensed carriers also supported indefinite rather than annual licences because of their increased leverage in financing the leasing or purchasing of marine equipment, their ability to guarantee the provision of tug and barge services on a continual basis, and the possibility of entering into service contracts of more than one year.

Northern Transportation Company Limited commented that it was too early to assess the impact of the new Act. However, the carrier did reiterate its disagreement with the government's decision to exclude national defence cargo from the scope of community resupply.

Other carriers such as Cooper Barging Service Ltd., Coastal Marine Ltd. and Beluga Tours Ltd. expressed disappointment at not being allowed to expand their resupply transitional operating authorities under the provisions of Part V of the *National Transportation Act, 1987*.

Users' Perspective

Shippers generally satisfied with service of carriers, but Athabasca system users express dissatisfaction with freight rate levels.

Upon completion of the 1988 season, shippers in the Mackenzie and Athabasca systems were surveyed by the Agency regarding the quality and level of service received from licensed carriers providing resupply services. Those responding were considered to be major users of barging services in the north and included communities, Indian Bands, the Federal and Territorial governments, and businesses. Major findings are highlighted below.

- **Level of Service**

When asked to rate resupply services provided by licensed carriers in 1988, 78 per cent of users saw no difference in services provided in 1987 and 1988. Eighteen per cent of users rated services better, and only five per cent thought services were worse.

Northern marine users were also asked to rate carriers on a number of specific criteria used to define level of service. The aggregated responses, as well as responses tallied separately for the Athabasca and Mackenzie systems appear below.

Results show that, in the aggregate, the largest proportion of respondents rated all aspects of the level of service they received average or better than average. However, Athabasca users rated level of service good to very good only half as often as did Mackenzie users, and were very dissatisfied with freight rate levels. Forty-four percent of all users rated "price/rate" as the single most important level of service criterion followed by "on-time performance" and "carrier flexibility".

- **Perception of Freight Rates**

Two-thirds of all respondents were of the view that freight rates for the movement of general cargo and bulk fuel in 1988 were reasonable. In the Mackenzie system, a majority found rates to be reasonable; however, in the Athabasca system, the majority of respondents reported rates were excessive. Forty-one per cent of all respondents indicated that both bulk fuel and general cargo rates increased over the 1987-1988 period.

- **Increase in Competition**

Users were also polled regarding the need for an increase in competition in northern marine transport.

The majority of users in the Mackenzie system expressed a negative view towards increased competition, citing insufficient cargo tonnages, adequate existing capacity, a continuing reduction in the demand for barging services, adverse effects on service and rate levels, and satisfaction with the services of Northern Transportation Company Limited. On the other hand, the prospect of more competitive rates and better service, and a need to permit smaller operators in the system to compete for resupply cargo, were seen by some respondents as compelling, though not dominant, reasons for increasing the number of carriers providing resupply services in the system.

In contrast, most Athabasca users looked favourably upon increased competition in anticipation of more competitive and/or reduced rates. This view considerably outweighed the comments of other respondents against competition on the grounds that A. Frame Contracting Ltd. provided satisfactory service and

Table 6.3

Users' Assessment of Northern Marine Resupply Services

Criteria	Aggregate Results (All Users)			Mackenzie Users Only			Athabasca Users Only		
	VG-G %	A %	P-VP %	VG-G %	A %	P-VP %	VG-G %	A %	P-VP %
Frequency	45	40	15	45	44	11	46	31	23
Schedule	37	42	21	44	40	16	23	46	31
Payment of Claims	48	31	21	36	30	14	34	33	33
Flexibility	44	33	23	50	27	23	31	46	23
On-Time Performance	36	37	27	40	36	24	30	38	32
Price/Rate	35	35	30	40	44	16	23	15	62

VG – Very Good **G - Good** **A - Average** **P - Poor** **VP - Very Poor**

that insufficient and declining traffic volume did not warrant an increased number of carriers.

- **General Comments**

Mackenzie users identified the level of freight charges on consolidated shipments, the maintenance and upgrading of the level of service where warranted, and increased competition in the system as primary concerns.

On the other hand, Athabasca users raised such major issues as: the entry of additional carriers into a shrinking market and the implications for the level of service; the high cost, in recent years, of moving goods by barge; the inadequacy of barging services for some communities in the system; and the consideration of other transport options. Other matters mentioned included: the need for periodic reviews of rate levels and quality of service; the provision of charter services to some communities; and the establishment of a higher profile by the Agency in the region to ensure the enforcement of barging regulations.

MAJOR DEVELOPMENTS

Arctic Transportation Ltd. withdraws from community resupply in the Mackenzie system.

The most important event in northern marine resupply was the withdrawal of Arctic Transportation Ltd. from the Mackenzie River in early 1988. Developments prohibiting Arctic Transportation Ltd. from increasing its community resupply tonnage and obtaining a share of national defence cargo forced them to reassess their river operations and focus efforts on providing services in the western Arctic in support of oil and gas development. Subsequent to its decision, Arctic Transportation Ltd. sold its Mackenzie River equipment to Northern Transportation Company Limited, confirming that it is unlikely to return to the river in the near future.

The continued inactivity in the resource sector in the north was the only other major concern in 1988. Traditionally, the system's smaller operators have relied heavily on non-resupply cargo to maintain viable operations. With the continued stagnation in this sector, these operators have been forced to rely more heavily on resupply tonnages.

Continuing construction on the Athabasca hydro line in 1988 was directly responsible for the increase in freight tonnage moved by A. Frame Contracting Ltd. for the second consecutive year. However, the line was completed in 1988.

THE NEW LEGISLATION

Changes to the legislation had little effect on resupply services.

Legislative changes did not materially affect the provision of northern marine resupply services in either the Mackenzie or Athabasca systems in 1988. Carriers and users both reported no major changes in the way they did business as a result of the implementation of the new Act.

Users of barging services in the north noticed no significant difference in the level of service. Changes in tariffs were attributed to declining tonnages and inflation. Changes in traffic levels were a function of ongoing projects in the Athabasca system, and in the case of the Mackenzie system, a combination of an inactive resource sector and a continuing shift in the northbound movement of freight to modes other than barge, using routes other than the Mackenzie River.

From a user's perspective, it would appear to be too early to assess the impact of changes in northern marine resupply legislation. Many users were unaware of the changes in the statutes governing resupply barging operations.

GREAT LAKES PACKAGE FREIGHT

HIGHLIGHTS OF 1988

Increased competition from railway confidential contracts

While there were no major marine events that affected package freight movements in 1988, the introduction of confidential contracts by the railways placed additional pressure on rates charged by Woodlands Marine for the carriage of forest products. Woodlands competes with CN and CP Rail for its freight during the Great Lakes shipping season. During the winter, Woodlands customers move shipments by rail when required.

REGULATORY REFORMS

Transport Act *repealed, eliminating licensing requirements for package freight operations.*

The repeal of the *Transport Act* on January 1, 1988 eliminated the licensing requirement for marine carriers providing package or general freight services using vessels exceeding 500 gross registered tons between Canadian Great Lakes and St. Lawrence River ports, as far east as the west end of the Island of Orleans. Canadian Great Lakes carriers involved in carrying package or general freight to and from U.S. ports, carriers involved in marine carriage on the Canadian east and west coasts and carriers specializing in the transportation of bulk commodities such as iron ore, grain and coal on the Great Lakes, who were previously excluded from regulation, were not affected by regulatory reforms.

INDUSTRY STRUCTURE

Woodlands Marine remained the only package freight operator.

During the period 1980 to 1988, there were never more than five marine carriers in the package freight trade on the Great Lakes. Moreover, the number of licensees diminished over the years as companies withdrew or applied for and received exemptions from the provisions of the *Transport Act*.

Woodlands Marine, a Canadian company using a Canadian flag vessel, has been the only common carrier in the package freight trade in the last three years.

PACKAGE FREIGHT OPERATIONS

Traffic, Level of Service and Tariffs

Tonnage, service and rates stayed at basically the same levels.

The package freight sub-sector is quite small, accounting for less than one per cent of total freight tonnages moved in Canadian Great Lakes trade in 1987 and 1988.

Freight tonnages moved by Woodlands Marine declined slightly in 1988 compared to 1987. Northbound movements from Windsor to destinations in the upper Great Lakes, which constitute only a small percentage of Woodlands total freight movements, actually increased in 1988. The cargo moved included commodities such as canned goods and bagged chemicals, general freight on trailers, as well as camper trailers and other vehicles. On the other hand, Woodlands' southbound main line cargo tonnages consisting primarily of lumber and forest products between Thunder Bay and lower Great Lakes destinations dropped slightly in 1988.

Regarding its level of service, Woodlands made 20 trips in 1988, down from the 24 made in the previous year. This reduction was attributed to the delay in the carrier's only vessel returning from charter in the Brazilian trade.

While Woodlands managed to increase its freight rates on a few commodities, the introduction of confidential contracts by the railways prohibited Woodlands from raising its rates on most of the main line commodities it carried in 1988. The result was relatively stable marine freight rates for forest products.

Carrier Performance

Woodlands Marine improved its financial situation.

After experiencing start-up difficulties in 1986, Woodlands has progressively improved its financial position in the last two years although it is still not profitable. Woodlands' financial position continued to improve in 1988 despite the slight drop in freight tonnage moved. The mix of cargo carried in 1988 and other marine endeavours contributed to the continued improvement in its revenues.

TRANSPORTATION SERVICES FOR DISABLED PERSONS

HIGHLIGHTS OF 1988

New Law for Advancing Accessible Transportation

In July, Bill C-131 amending the *National Transportation Act, 1987* became law. The new provisions enable the National Transportation Agency to make regulations to eliminate undue transportation obstacles to persons with disabilities. The Agency can set, administer and enforce standards for the design, construction or modification of transportation and related facilities, premises and equipment. Regulations can also be created for signs, staff training, terms and conditions for carrying disabled persons and for ways of communicating information.

The Agency has power to investigate complaints of inaccessible transportation, order corrective measures and compensation for expenses incurred, and set penalties. Besides responding to problems, the Agency will also be able to conduct investigations on its own volition. This is a significant change in the Agency's powers since in most other matters it can act only on request.

The amendments extend the existing power of the Agency to regulate accessibility for persons with disabilities on airlines to all modes of transport under federal jurisdiction. VIA Rail, Roadcruiser bus service in Newfoundland, Marine Atlantic ferries and other federally-subsidized ferry services, and the facilities and premises related to all modes of transport now fall within the Agency's regulatory jurisdiction.

Consultations on Regulations

In May, consultation was initiated on possible regulations dealing with fares for assistants to persons with disabilities and for additional seats required by disabled/obese persons.

Views on aspects such as free carriage of assistants, free additional seats, self-reliance, designated employees, a limit on the actual number of disabled travellers allowed on a flight, and medical certification were expressed by carriers, advocacy groups, associations for and of persons with physical, visual, hearing and mental disabilities, federal, provincial and municipal government departments and agencies, and various other organizations.

In July, consultation on proposed terms and conditions of carriage applicable to the domestic transportation of disabled travellers by air was initiated. Responses recommended changes to the proposed terminology and level of detail, and suggested the inclusion of particular points. There was general support for the regulation of such terms and conditions of carriage.

In November, the first of four regional workshops on accessibility to transportation facilities for blind or visually impaired persons took place in Halifax.

SURVEY

A total of 600 questionnaires were distributed to organizations and associations representing the disabled, to a sample of travellers with disabilities, and to carriers. Of that total, 130 completed surveys were returned.

The survey dealt with service aspects, special conditions required by travellers with disabilities, qualifications of personnel dealing with travellers with disabilities, obstacles to travelling, and the use of different modes of transportation by the disabled.

Results tend to indicate that air transportation is the "preferred" mode of transport for travellers with disabilities while buses cause the most problems. On-board washroom facilities in all modes were rated poor in terms of their size and their accessibility. Rules and regulations applying to travellers with disabilities also received a poor rating as their applicability is not always clear. The "visibility" of announcements also poses problems according to survey results. In relation to ticketing functions, the unavailability of braille and of telephone devices for the deaf were identified as issues. Brochures and publicity on transport services seldom mention travellers with disabilities.

"Physical accessibility" stands out from the survey as the most significant barrier to travellers with disabilities.

SAFETY

The *National Transportation Act, 1987* reaffirmed safety as the top ranking policy objective in all forms of transportation. Since the review mandate requires the Agency to have regard to the National Transportation Policy, this section reports succinctly on the 1988 safety records of transportation activities.

Rail Services

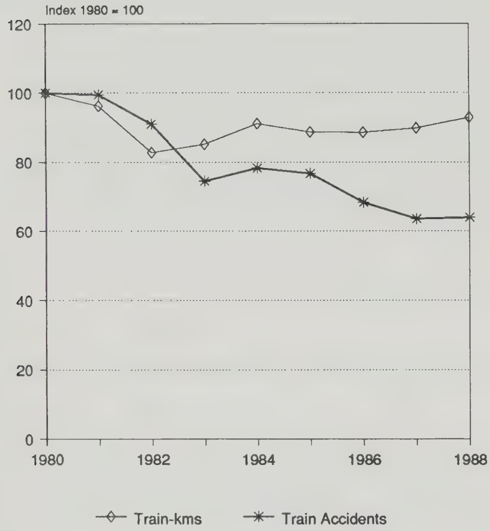
An improvement in the train accident rate was observed.

Much of the legislation relating to safety in the Canadian railway industry has been substantially revised and transferred from the *Railway Act* to the *Railway Safety Act*, which was proclaimed on January 1, 1989.

According to preliminary 1988 Agency data, train derailments decreased by 4.7 per cent, while train collisions and crossing accidents increased by 2.5 per cent and 7.0 per cent, respectively. Total train accidents (including derailments and collisions involving track motor cars/maintenance-of-way equipment) increased marginally by 0.6 per cent from 1987.

To compare accident rates over time, it is necessary to take into account changes in rail traffic. As an indicator of the increase in rail traffic, the total main track train-kilometres performed by the railways in 1988 were approximately 3.5 per cent higher than those in 1987. Therefore, in terms of work performed, there were 6.2 train accidents per million train-kilometres in 1988, which represents an improvement over the figure of 6.4 for 1987. This improvement in the accident rate is observable in Figure 8.1 which provides a comparison of train accidents to train-kilometres for the period 1980 to 1988. The figure also shows that train accident totals in recent years are well below those recorded earlier in the decade.

FIGURE 8.1: TRAIN ACCIDENTS VS TRAIN-KILOMETRES 1980 - 1988



Source: Railway accident information reported to the Agency.

Air Services

The accident rate of commercial air services has remained almost unchanged since 1983.

Safety aspects of Canada's air transport industry are governed primarily by the *Aeronautics Act*. This legislation underwent comprehensive revision in 1985, designed to provide continued high standards of airline safety into the next century.

Canadian Aviation Safety Board (CASB) preliminary statistics for 1988 show that the accident rate involving Canadian aircraft decreased slightly — the number of accidents increased but the number of flying hours increased at a faster rate. The number of fatal accidents declined in 1988 as did fatalities. Aviation incidents reported under the CASB's new mandatory reporting requirements increased significantly, but the number of such incidents (including losses of separation) which were determined to require a CASB investigation was essentially unchanged from 1987.

The accident rate for commercial aircraft has remained almost unchanged since 1983, at a much lower level than that for private aircraft. Most commercial accidents involve small operators in charter, contract or specialty operations. The number of accidents in each region has remained relatively constant with some year-to-year fluctuations.

In 1988, there were two minor accidents involving scheduled operations. This compares to an average of slightly under two per year over the previous five years. This is the fifth consecutive year in which there were no fatal accidents involving Canadian registered large passenger jets.

Marine Services

Due to weather and ice conditions, an increase in the number of marine casualties was reported in the Mackenzie River and western Arctic region; otherwise no change in reported shipping casualties was noted.

Canadian marine safety is governed by provisions of the *Canada Shipping Act* and, to a lesser extent, by statutes set down in the *Arctic Waters Pollution Prevention Act* and the *Transportation of Dangerous Goods Act*. The former Act gives the Canadian Coast Guard responsibility for making and enforcing regulations on marine safety for both domestic and foreign carriers operating in Canadian waters. Neither the NTA nor SCEA altered existing marine safety provisions in any way.

Figures compiled by Transport Canada's Marine Casualties Investigations Group show an increase from 11 in 1987 to 17 in 1988 in the number of marine casualties reported in the Mackenzie River and western Arctic region, but these can be attributed to weather and ice conditions. Also, the only reported incident involving a carrier licensed by the Agency concerned three bulk fuel barges operated by Northern Transportation Company Limited, which were set adrift after breaking mooring.

Trucking Services

Trucking safety statistics were not available at the time this report was completed. However, under the provisions of the *Motor Vehicle Transport Act, 1987* the Minister of Transport is to prepare an annual report on highway accidents, and the implementation and enforcement of safety regulations.

EMPLOYMENT

Overall level of employment within transportation increased as growth was reported in trucking and air transport.

The increase in overall employment within Canada was 1.7 per cent in 1988. Employment in the Canadian transportation industry increased to 462,000 — an increase of 1.4 per cent over the 1987 level.

Increases were observed for the air transport and trucking industries — 7.2 per cent and 2.8 per cent respectively. Employment in the air transport industry went up in New Brunswick, Quebec, Ontario, Manitoba, Alberta and British Columbia. During the year, the shortage of pilots was raised by some local air carriers as an emerging issue. Trucking employment increased in Newfoundland, Prince Edward Island, Quebec, Ontario, Manitoba, Saskatchewan and Alberta.

Both the rail and marine sectors' employment levels continued their downward trend in 1988 with employment declining at the average annual rates of 4 per cent and 3.5 per cent, respectively, between 1978 and 1988.

In 1988, rail transport services employed 3.4 per cent fewer people than in 1987; the reduction came from all regions. The reduction in water transport employment (3.4 per cent) came from British Columbia, Quebec and Nova Scotia. The changes were associated with Canadian coasting (domestic) trade and international shipping line services in Canada. However, the declining trend is not generalized as the increased traffic volume at the Port of Halifax resulted in labour shortages in late 1988. The changes in the international shipping component were most likely a function of the continued rationalization of the number of agents and sales representatives. There has been little or no change in employment levels of northern marine carriers as most of them operate with a very small labour force which does not vary to a significant extent from one year to another.

Modal and regional differences in earnings continued to prevail among various transport industries.

Marked differences in earnings prevail among various industries and regions, and transportation is no exception. Such differences reflect the influences of many forces such as employer's wage policy, state of union organization, demand trend for the firm's products/services, position of the firm in the market place, size and profitability of the firm, and geographical location.

Overall average weekly earnings in Canada were 4.5 per cent higher in 1988 than in 1987. With the exception of water transportation (3.2 per cent), other transportation sectors saw their average weekly earnings increase by more than the national average — 4.7 per cent in rail, 5.4 per cent in air and 7.2 per cent in trucking.

The most significant increases in transportation earnings were observed in Manitoba (6.5 per cent), Ontario (6.4 per cent), Quebec (6.2 per cent), Saskatchewan (6.0 per cent) and British Columbia (4.1 per cent). In all other provinces, transportation sector earning increases were less than the national Consumer Price Index increase.

Because average weekly earnings include overtime pay, the percentage increase in earnings cannot be assumed to reflect wage settlements negotiated for the year 1988.

Wage increases in transportation settlements were below the average annual wage increase reached through collective bargaining.

Based on Labour Canada's information, annual wage increases negotiated in the transportation sectors were lower than the average increase in settlements.

On the rail side, following a five-day strike in August 1987 ended by back-to-work legislation, an arbitrator issued an award in February 1988 which gave a 3.2 per cent average annual wage increase to 50,000 rail employees for the year 1988. Also, after a three and a half month work stoppage, CP Rail reached an agreement with several shopcraft unions representing 3,000 employees which gave them a 3.2 per cent wage increase in 1988. A similar deal was reached between CN and its shopcraft employees.

In the air transport industry, Canadian Airlines International successfully negotiated agreements with its pilots, service and maintenance employees, and passenger agents with wage increases of four per cent. The Air Canada contract with its ground workers and mechanics, ratified in early January 1988 and preceded by a two and a half week work stoppage that ended on December 17, 1987, included a partial indexation formula for pensions. Air Canada's pilots, flight attendants, aircraft maintenance employees, sales and service branch employees also obtained a four per cent wage increase for 1988.

In trucking, two major settlements were reported by Labour Canada. Service workers, feeder drivers, maintenance mechanics and package handlers of United Parcel Service Canada each obtained an additional 70¢ an hour in 1988. A four per cent wage increase was negotiated for 600 employees of Transport Provost Inc.

Table 9.1

Percentage Wage Increase Negotiated and Consumer Price Increases

	Transportation and Communication	All Industries	Consumer Price Index
1986	3.3%	3.5%	4.0%
1987	3.1%	4.1%	4.3%
1988	3.6%	4.3%	4.1%

Source: Labour Canada and Statistics Canada

Numerous agreements covering the 1988 year resulted from settlements reached in 1987, a year of active collective bargaining for the transportation sector. Transportation labour agreements signed either in 1987 or in 1988 covered a two, three, and sometimes a four year period. In rail, all union contracts expired on December 31, 1988.

The Canada Labour Relations Board administers that part of the *Canada Labour Code* which deals with industrial relations. The Board, which usually has a significant proportion of its caseload coming from transportation industries, received substantially less applications and cases from the transportation sector in 1988.

Number of workers involved and person-days not worked because of strikes and lockouts were down for transportation.

In terms of the number of strikes and lockouts in Canada's transportation industries, 1988 was comparable to 1987: one in rail, four in air, four in water and five in trucking services.

The rail strike involved fewer workers over a longer period of time than the 1987 strike but it did not cause a discontinuance of railway operations in the country. Compared to 1987, fewer person-days were lost in 1988 because of strikes and lockouts in rail services.

For air and water transportation, 1988 strikes and lockouts involved fewer workers and, on average, were of shorter duration than in 1987. No strikes and lockouts were experienced by northern marine carriers or package freight operators in 1987 or 1988. Regarding international shipping, only at the Port of Montreal were international shipping lines inconvenienced more in 1988 than in 1987 by strikes and lockouts (12 days in 1988 compared to four days in 1987). Other major Canadian ports — Halifax, Vancouver and Saint John— reported little or no labour unrest in 1987 and 1988.

In trucking services, 15.4 thousand person-days were lost because of strikes and lockouts in 1988, compared to 11.8 thousand in 1987.

THE AGENCY'S FIRST YEAR

A regulatory process more responsive to Canada's transportation needs.

This section of the report addresses a specific aspect of the review mandate - "the time required to deal with any application, complaint or other matter referred to the Agency under any Act of Parliament".

On January 1, 1988, the National Transportation Agency of Canada assumed responsibility for the federal regulation of Canadian transportation. Canada's approach to the economic regulation of transport has changed. Economic regulation has been streamlined and oriented towards timely problem-solving services and protection of the public interest.

Matters related to three main functions of the Agency - licensing, dispute resolution processes and rail rationalization - as well as applications for review are examined for the year 1988. It is noted that considerable emphasis had to be placed during this year on hiring and training of personnel and development of procedures.

In summary, the Agency, in its first year of operations, has proven to be much more responsive to the needs of Canada's transportation community.

LICENSING MATTERS

Air Licence Applications

All of the 32 applications for authority to operate new or amended domestic air services in southern Canada that were received and dealt with in 1988 were processed in 60 days or less and 22 of them were completed in 30 days or less. The three applications to suspend or cancel licences authorizing services in this part of Canada took an average of 71 days to process.

There were 185 applications received in 1988 for authority to operate new or amended domestic air services to, from or within the designated area. These applications require public notice. Interested parties are given an opportunity to object to the proposed service and applicants have the opportunity to respond to these objections, a step normally completed in 45 days.

Decisions were issued respecting 46 of these 185 applications within 90 days. The majority of them (117) took between 90 and 120 days to process. The remaining 22 applications did in fact take longer than the 120-day time limit specified in the legislation; these delays were attributable to extraordinary circumstances or to early procedure-development difficulties.

Twenty-three applications to suspend or cancel licences or parts of licences authorizing services to, from or within northern Canada took an average of 63 days to process, and 20 applications for temporary authorities, waivers and exemptions were processed in approximately 34 days.

Another 87 applications relating to domestic air services received in 1988 were still in process at the end of the year.

With respect to international services, 26 applications to operate scheduled services were received in 1988. These were quite evenly divided between taking 30 days or less, 31 to 60 days and 61 to 90 days to complete. There were two applications that took more than 120 days to process, but in both cases extensions were agreed to by all parties concerned.

About one-half of the 165 applications received for non-scheduled international services required public notice, a 45-day step. One hundred and twenty were processed in 90 days or less and 24 applications took longer than the 120-day time limit specified in the legislation, all of which occurred early in the year. Of these, two involved extensions being granted.

All five applications for temporary authorities relating to international services were handled within a week of their receipt and each of the 107 requests for exemptions took an average of one month to process.

An additional 63 international applications filed were still in process at year's end.

Air Charter Permit Applications

The Agency received 2,534 applications for permits to operate specific charter programs. (Only three of these related to applications for domestic charter permits.) The regulations specify different advance filing requirements for each type of charter to be performed and therefore the time within which the Agency must process these applications varies depending on the charter type involved. In all cases, these applications were dealt with before the departure date of the flights proposed to be operated.

Of these more than 2,500 applications, 420 were accompanied by requests for exemptions. These exemptions were considered at the same time as the applications.

Replacement Air Licences

Licences conforming to the requirements of the new legislation were also issued to replace those that had been issued pursuant to the previous legislation — a total of 1,638 domestic replacement licences and 1,376 international replacement licences. All of these new licences were issued before December 31, 1988.

Northern Marine Resupply Licence Applications

Discounting withdrawn applications, five carriers were licensed under the transitional provisions (sections 225 and 226) of Part V of the NTA in 1988. Four licences were issued in August, and one in September. Another licence was pending at year's end, due to the carrier's tardiness in submitting information pertinent to its application.

DISPUTE RESOLUTION

Complaints and Investigations

Air

Three complaints were received by the Agency concerning the level of basic passenger air fares (i.e. economy fares) charged by carriers on specific routes in Canada. Under the legislation, a decision is to be rendered within 120 days of

receipt of a complaint. These cases took 103, 115 and 117 days respectively to complete.

Throughout the year, the Agency also received and dealt with 278 formal and informal complaints regarding numerous aspects of service provided by air carriers. Almost half of these involved serving the complaint on the carrier concerned and waiting for the carrier to provide its comments, a process which is beyond the control of the Agency. It took an average of 57 days to handle these 278 complaints (an average which dropped from 83 days in the first half of the year to 30 days in the second half of the year). Fifty-nine of these complaints were dealt with in less than 15 days while 36 (all of them informal complaints) took longer than 120 days.

The Agency also investigated and resolved 15 disputes or complaints by air carriers regarding pricing practices of other air carriers performing international services. These took an average of one and a half months to complete with two being dealt with in three weeks or less, and two taking three months or more to settle.

Marine

The Agency received two formal complaints in relation to marine transport services.

One of the complaints took 126 days to reach a conclusion; for the other formal complaint, the matter was still under investigation at year's end.

Rail

In relation to interswitching, ten cases were received — five were completed with two appealed to the Federal Court; two were withdrawn; and three, received late in the year, were carried over to 1989.

The Agency received two rail-related applications under the running rights/joint track usage provisions of the legislation. One application was completed and the other was in progress at year's end.

Two railway common carrier obligation cases were submitted which had to be dealt with in 120 days. One application was completed in this time frame, but was later appealed to the Federal Court. The other application was received in December 1988.

Twelve formal rail passenger service complaints or applications were also resolved by the Agency. In addition, over 40 Ministerial referrals regarding service-related matters were dealt with. All of these were handled in a timely manner.

Two applications for the setting of rail competitive line rates were received that needed to be dealt with in 45 days. The first case was handled within the allocated number of days and the decision was later appealed to the Federal Court. The other application was withdrawn.

Two applications concerning non-compensatory rail rates were dealt with during the year. One of these applications was completed and the other is still in progress.

In 1988, of the five formal rail rate-related complaints or applications received, one had a statutory time limit under the WGTA. While the Agency had 120 days to deal with the case, only 91 days were required to resolve it.

Transportation Services for Disabled Persons

The Agency received 41 complaints in 1988 respecting transportation services for disabled persons. Of the 41 complaints, 32 were dealt with in 1988 and nine were carried over to 1989 due to the point in time at which they were submitted. Eighteen complaints were handled within one month and eleven took between one and two months to complete. Only three took longer than two months to handle due to carriers' late responses.

Mediation and Arbitration

The *National Transportation Act, 1987* introduced new dispute resolving mechanisms to deal with matters arising between shippers and carriers or between carriers concerning the transportation of goods. The Agency was not requested to mediate nor to arbitrate any matters relating to air transportation during 1988.

However, the Agency responded to over 25 requests for assistance in rail disputes that involved questions on rates, service, infrastructure, and line abandonments.

The Act specifies a 30-day time limit to resolve a formal application for mediation and in the majority

of cases the Agency responded within these time limits, achieving results that were satisfactory to the parties. In instances where the 30-day period was exceeded, it was either at the request of the parties to the dispute or with their consent and agreement to further explore alternatives which would lead to resolution of the conflict.

Mergers and Acquisitions

There were only two proposed acquisitions of air transportation undertakings that required public notice. In both cases, notice was given in the *Canada Gazette* within two weeks of receipt of the completed application. No objections were received and all parties were advised within a week following the 30-day public notice period that the proposed transactions were not subject to any further consideration by the Agency.

Twelve proposed acquisitions of motor vehicle transportation undertakings submitted required public notice. In all cases, a notice of the proposed acquisition was published in the *Canada Gazette* within two days to two weeks of receipt of the application. In one case, the proposed transaction was mutually withdrawn by the companies. In the other 11 cases, as no objection was voiced, the parties were notified within seven days following the 30-day public notice period that the proposed acquisitions would not be subject to any further review by the Agency and the files were closed. One such notification was sent out early in 1989 because the proposed acquisition was received by the Agency late in 1988.

RAIL RATIONALIZATION

Branch Line Abandonment Applications

The branch line abandonment provisions in the *National Transportation Act, 1987*, were designed to streamline the provisions in the *Railway Act* by incorporating specific criteria, decision-making rules, and time limits on all aspects of the process.

In its first year of operation, the Agency was faced with the processing of applications made to the Agency's predecessor, the Canadian Transport Commission, with reconsideration of cases ordered continued by the Commission, as well as with new applications made to the Agency under the NTA.

In total, there were 73 applications before the Agency during 1988.

Only 43 of these cases were required to be dealt with during 1988. The Agency reached decisions on 20 of these cases in 1988, five of which followed public hearings. The others have been carried into 1989 and it is expected that most will have been dealt with by mid-1989.

Station Removal Applications

With the enactment of the new NTA, there have been significant changes to those sections of the *Railway Act* which pertain to station buildings. These changes have given the railways more discretionary power to manage their resources as they see fit.

Although the Agency was faced with a heavy workload in this area in 1988, the Agency's jurisdiction has been questioned by Via Rail, supported by CN and CP Rail. Additionally, recent heritage legislation is awaiting proclamation and, once enacted, may have an impact on the processing of station removal applications.

APPLICATIONS FOR REVIEW

There were five applications for review involving air carriers that were filed in accordance with the provisions of the new transportation legislation. One of these was carried forward to 1989 and one was resolved when the carrier was subsequently granted a licence. The remaining three took two months, two and a half months, and five months to complete.

Of the five applications dealing with rail-related issues, one case, involving a branch line decision, was granted on the basis of new facts and the abandonment date was extended to July 1, 1989. This review was completed in less than one month. One other application was denied as there was no change in the facts or circumstances. This review was handled in less than three months. The three other rail cases were carried forward to 1989.

APPENDICES

REPORT ON BRANCH LINE ABANDONMENT ACTIVITIES UNDER THE *NATIONAL TRANSPORTATION ACT, 1987*

BACKGROUND

Subsection 267(3) of the *National Transportation Act, 1987* requires the National Transportation Agency to submit a report to the Minister of Transport regarding a summary of branch line abandonment activities under the Act for the year 1988.

Specifically, article 267(3)(*a*) requires that the Agency's report of its findings in respect of the 1988 calendar year include a review of the summary of:

- branch line abandonment notices of intent to apply for abandonment under subsection 160(1);
- branch line abandonment applications filed under subsection 160(4);
- abandonment dates fixed under section 168 during the year; and
- the plans of every railway company under the Agency's jurisdiction for the giving of such notices and the making of such applications during the following year (i.e. 1989).

In this regard, this information is set out in the following appendices:

APPENDIX "A" - Summary of Notices of Intent - 1988

APPENDIX "B" - Summary of Abandonment Applications - 1988

APPENDIX "C" - Rail Line Abandonment Applications by Subdivision

APPENDIX "D" - Summary of Abandonment Dates fixed under section 168 of the *NTA, 1987*.

APPENDIX "E" - Summary of Railways' Plans for the 1989 Calendar Year
for Abandonment Notices and Applications

APPENDIX A

1988
NOTICES OF INTENT TO APPLY FOR ABANDONMENT
[SUBSECTION 160(1), NTA, 1987]

Province/Railway/ Subdivision	Between Points	Track Miles	Date of Receipt
	NOVA SCOTIA		
CN Chester	Barry's Stillwater Marsh to Liverpool (M.42.25) (M.109.07) Incl. Lunenburg & Blue Rocks Spurs	77.02	March 22/88
CP Kentville	Kentville to Annapolis Royal (M.4.6) (M.58.4)	53.8	March 28/88
CP Yarmouth	Annapolis Royal to Yarmouth (M.0.0) (M.86.6)	86.6	March 28/88
	CN Total Miles	**77.02**	
	CP Total Miles	**140.4**	
	PRINCE EDWARD ISLAND		
CN Borden	Charlottetown to Borden (M.0.0) (M.42.4)	42.4	July 18/88
CN Kensington	Emerald Jct. to Linkletter (M.0.0) (M.19.45)	19.45	July 18/88
	CN Total Miles	**61.85**	
	NEW BRUNSWICK		
CP Aroostook	Aroostook to International Boundary (M.0.0) (M.4.8)	4.8	March 7/88
CP Houlton	Debec to International Boundary (M.0.0) (M.5.0)	5.0	March 7/88
CP St. Andrews	Champlain Spur to St. Andrews (M.18.1) (M.27.8)	9.7	Feb. 17/88

CP Shogomoc	Woodstock to Newburg (M.51.5) (M.54.2)	2.7	March 7/88
	Upper Kent to Aroostook (M.88.5) (M.104.6)	16.1	
CP Tobique	Perth Junction to Plaster Rock (M.0.0) (M.27.5)	27.5	March 7/88
CN Tormentine	Sackville to Tormentine (M.0.0) (M.35.39)	35.39	July 18/88
	CN Total Miles	**35.39**	
	CP Total Miles	**65.8**	

QUEBEC

CN Mont Royal	Val Royal to Cartierville (M.7.22) (M.8.03)	0.81	Feb. 5/88
CP Temiscaming	Temiscaming to Gendreau (M.40.5) (M.47.9)	7.4	March 21/88
CP Beebe	Lennoxville to Beebe Jct. (M.2.9) (M. 33.9)	31.0	May 31/88
CP Drummondville	Foster to Drummondville (M.0.00) (M.46.7) Incl. Drummondville Industrial Spur & the L'Avenir Spur	48.6	May 5/88
CP Stanstead	Beebe Jct. to Rock Island (M. 0.0) (M. 2.4)	2.4	May 31/88
	CN Total Miles	**0.81**	
	CP Total Miles	**89.4**	

ONTARIO

CN Forest	St. Mary's to Lucan (M. 0.00) (M. 15.50)	15.50	Nov.30/88
CN Newmarket (Beeton & Alliston Spurs)	Beeton to Barrie (M. 58.75) (M.77.10) (M. 0.00 to M. 5.52)	23.87	Dec.15/88
CP Simcoe/Waterford	Waterford to Simcoe Jct. (M.35.3) (M.43.1)	7.8	June 11/88
	Brantford to L.E.& N. Jct. (M.63.7) (M.78.9) Incl. Waterford Spur	16.3	

CP Simcoe/Waterloo	Main Street Galt to Brantford (M. 0.0) (M.19.4)	19.4	July 8/88
	Main Street Galt (M.0.0 - M.0.8)	0.8	
CN Uxbridge (Campbellford Spur)	Peterborough to Lindsay (M.63.25) (M.85.18) Incl. Lakefield Spur (M.0.0 - M.9.51) Incl. Asburnham Branch (M.0.0 - M.0.72)	32.16	March 17/88
CP Waterford	Hamilton to Brantford (M.41.0) (M.61.0)	20.0	May 30/88
CN Total Miles		**71.53**	
CP Total Miles		**64.3**	

ALBERTA

CN Coronado	Lindbergh to Heinsburg (M.151.78) (M.160.02)	8.24	Feb. 10/88
CP Willingdon	Chemical Spur (M.0.0 - M.6.0)	6.0	Feb. 8/88
	CN Total Miles	**8.24**	
	CP Total Miles	**6.0**	

BRITISH COLUMBIA

CP Westminster (Van Horne Spur)	* Mile 3.33 to Mile 7.18	3.85	Oct.14/88
	CP Total Miles	**3.85**	

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* Subject to the Agency's determination, under subsection 157(4) as to whether this line of railway is exempt from abandonment control. Investigation currently in progress.

APPENDIX B

1988 SUMMARY OF ABANDONMENT APPLICATIONS [SUBSECTION 160(4) OF THE NTA, 1987]

Province	N°. Applications			Mileage		
	CN	CP	Total	CN	CP	Total
Newfoundland	1	N/A	1	7.00	N/A	7.00
Nova Scotia	1	2	3	77.02	139.8	216.82
P.E.I.	7	N/A	7	235.01	N/A	235.01
New Brunswick+	3	5	8	216.12	65.8	281.92
Quebec++	11	3	14	440.40	132.0	572.40
Ontario+++	10	6	18*	465.00	162.05	739.45*
Manitoba	4	N/A	4	158.64	N/A	158.64
Saskatchewan	7	3	10	183.26	70.4	253.66
Alberta	2**	3**	5**	20.38**	71.20**	91.58**
British Columbia	2	2	4	3.27	127.7	130.97
Total	48	24	73	1 806.10	768.95	2 687.45

+ (2 Shogomoc cases are grouped together as one application. Total Mileage of 18.8 miles)
++ (2 Granby cases are grouped together as one application. Total Mileage of 49.24 miles)
+++ (Kincardine, Owen Sound & Newton are grouped together as one application. Total Mileage of 108.29 miles)
* (includes CSX Transportation 2 applications 5 segments 112.4 miles)
** (includes one CN-CP application for 8.80 miles of jointly owned track)

APPENDIX C

1988 RAIL LINE ABANDONMENT APPLICATIONS
[SUBSECTION 160(4) OF THE NTA, 1987]

Railway/ Subdivision	Between Points	Track Miles	Status
	Newfoundland		
CN Stephenville	White's Road-Stephenville (M. 0.00) (M. 7.00)	7.00	Ordered abandoned February 22, 1989.
	CN Total Miles	**7.00**	
	Nova Scotia		
CN Chester	Barry's Stillwater Marsh-Liverpool (M. 42.25) (M. 109.07) Incl. Lunenburg & Blue Rocks Spurs	77.02	To be considered in 1989.
CP Kentville	Kentville-Annapolis Royal (M. 4.6) (M. 58.4)	53.8	To be considered in1989.
CP Yarmouth	Annapolis Royal-Yarmouth (M. 0.0) (M. 86.6)	86.6	To be considered in 1989.
	CN Total Miles	**77.02**	
	CP Total Miles	**140.4**	
	Prince Edward Island		
CN Borden	Charlottetown-Borden (M. 0.00) (M. 42.40	42.40	To be considered in 1989.
CN Kensington	Emerald Junction-Linkletter (M. 0.00) (M. 19.45)	19.45	To be considered in 1989.
CN Kensington	Linkletter-Tignish (M. 19.45) (M. 84.61)	65.16	To be reconsidered in 1989.
CN Montague	Mount Stewart Junction-Montague (M. 0.00) (M. 25.61)	25.61	To be reconsidered in 1989.
CN Murray Harbour	Maple Hill-Uigg Incl. part of Mt. Herbert Spur (M. 0.00) (M. 17.77)	22.37	To be reconsidered in 1989.

CN Souris	Royalty Junction-Souris (M. 0.00) (M. 55.02)	55.02	To be reconsidered in 1989.
CN Souris (Elmira Spur)	Harmony Junction-Baltic (M. 0.00) (M. 5.00)	5.00	To be reconsidered in 1989.
	CN Total Miles	**235.01**	

New Brunswick

CP Aroostook	Aroostook-International Boundary (M. 0.0) (M. 4.8)	4.8	To be considered in 1989.
CN Caraquet	East Bathurst-Tracadie Incl. Shippagan Spur) (M. 4.34) (M. 72.04)	74.97	To be reconsidered in 1989.
CP Houlton	Debec-International Boundary (M. 0.0) (M. 5.0)	5.0	To be considered in 1989.
CP St. Andrew's	Champlain Spur-St. Andrew's (M. 18.1) (M. 27.8)	9.7	Ordered abandoned November 6, 1988.
CN St. Quentin	Tide Head-I.N.R. Junction (M. 0.00) (M. 103.50)	103.50	To be reconsidered in 1989.
CP Shogomoc+	Woodstock-Newburg (M. 51.5) (M. 54.2)	2.7	To be considered in 1989.
CP Shogomoc+	Upper Kent-Aroostook (M. 88.5) (M. 104.6)	16.1	To be considered in 1989.
CN Tobique	Perth Junction-Plaster Rock (M. 0.0) (M. 27.5)	27.5	To be considered in 1989.
CN Tormentine	Sackville-Tormentine (M. 0.00) (M. 35.39)	35.39	To be considered in 1989.
	CN Total Miles	**213.86**	
	CP Total Miles	**65.8**	

Quebec

CN Chandler	Ste. Adelaide-Gaspé (M. 48.10) (M. 104.23)	56.13	To be reconsidered by 1990.
CN Chapais	Franquet-Chapais (M. 72.06) (M. 169.40)	97.34	Public hearing held February 28 & March 2, 1989. Decision pending.

CN Danville	Chaudiere-Richmond (M. 0.00) (M. 87.22) Incl. Industrial, Victo Container & Industrial Spurs	88.62	Ordered abandoned August 8, 1989.
CN Granby++	Granby-Chambly (M. 9.00) (M. 44.00)	35.00	To be reconsidered by 1990.
CN Granby++ (West Shefford Spur)	Clough-Granby (M. 0.00) (M. 14.24)	14.24	Ordered abandoned December 31, 1988.
CN Lac St. Jean	Ha Ha Bay Junction-Chicoutimi (M. 205.65) (M. 210.96)	5.31	Ordered abandoned May 1, 1988.
CN Montfort (Grenville Spur)	Grenmont-Saint André Est (M. 0.00) (M. 17.70)	17.70	Ordered abandoned September 14, 1988.
CN Mont Royal	Val Royal-Cartierville (M. 7.22) (M. 8.03)	0.81	Ordered abandoned December 30, 1988.
CP Ste. Agathe	St. Jérome-Ste. Agathe (M. 13.6) (M. 44.4)	30.8	To be reconsidered in 1989.
CP Ste. Agathe	Ste. Agathe-Mont Laurier (M. 44.4) (M. 138.2)	93.8	To be reconsidered in 1989.
CN St. Raymond	Hedley-Jackson's (M. 2.62) (M. 36.50)	33.88	To be reconsidered by 1991.
CN St. Raymond	Jackson's-Riviere à Pierre (M. 36.50) (M. 55.57)	19.07	To be reconsidered in 1989.
CN Sorel	Sorel-St. Gregoire Incl. Des Ormeaux & Becancour Spurs (M. 45.50) (M.84.20)	39.30	Public hearing held June 16, 1988. Report pending Agency approval.
CP Temiscaming	Temiscaming-Gendreau (M. 40.5) (M. 47.9)	7.4	To be considered in 1989.
CN Temiscouata	Cabano-Edmundston East (M. 44.00) (M. 77.00)	33.00	To be reconsidered in 1989.
	CN Total Miles	**440.40**	
	CP Total Mile	**132.0**	

Ontario

CN Bruce Lake	Carroll Jct-Bruce Lake (M. 0.00) (M. 66.16)	66.16	Ordered abandoned September 25, 1988.
CN Burford	Brantford-Burford (M. 3.35) (M. 11.00)	7.65	To be reconsidered by 1990.
CP Carleton Place	Nepean-Carleton Place (M. 9.0) (M. 28.1)	19.1	Ordered abandoned December 29, 1989.
CN Forest	Lucan-Parkhill (M. 15.50) (M. 30.50)	15.00	To be reconsidered in 1989.
CN Goderich	Guelph-Goderich (M. 34.9) (M.112.1)	77.2	Ordered abandoned December 31, 1988.
CN Kincardine+++	Listowel (M. 0.00) (M. 1.41)	1.41	To be reconsidered by 1990.
CN Kincardine	Listowel-Wingham (M. 1.41) (M. 30.34)	28.93	To be reconsidered by 1990.
CN Newton+++	Stratford-Palmerston (M. 1.17) (M. 36.62)	35.45	To be reconsidered by 1990.
CN Owen Sound+++	Palmerston-Owen Sound (M. 0.00) (M. 71.43)	71.43	To be reconsidered by 1990.
CN Renfrew	Nepean-Renfrew (M. 0.00) (M. 43.78)	43.78	Ordered abandoned on the earlier of December 30, 1989 or date of commencement of alternative train services to BASF siding.
CP St. Mary's	St. Mary's (M. 23.55-M. 25.00)	1.45	Ordered abandoned August 13, 1988.
CP Simcoe/Waterford	Waterford-Simcoe Junction (M. 35.3) (M. 43.1)	7.8	To be considered in 1989.
	Brantford-L.E. & N Junction Incl. Waterford Spur (M. 63.7) (M. 78.9)	16.3	

CP Simcoe/Waterloo	Galt-Brantford (M. 0.0) (M. 19.4)	19.4	To be considered in 1989.
	Galt (M. 0.0) (M. 0.8)	0.8	
CN Smiths Falls	Richmond-Smiths Falls (M. 13.00) (M. 34.05)	21.05	To be reconsidered in 1989.
CN Southampton	Harriston Jct-Douglas Point (M. 0.00) (M. 59.56)	59.56	Ordered abandoned January 22, 1989.
CSXT Subdivision*	West Lorne-St. Thomas (M. 102.8) (M. 126.8)	24.0	Ordered abandoned July 1, 1988.
CXST Subdivision* #1	Oldcastle-Leamington (M. 8.0) (M. 37.0)	29.0	To be considered in 1989.
	Leamington-Blenheim (M. 39.0) (M. 73.5)	34.5	To be considered in 1989.
	Blenheim-Black's Siding (M. 75.3) (M. 95.5)	20.2	To be considered in 1989.
	Rodney-West Lorne (M. 98.1) (M. 102.8)	4.7	To be considered in 1989.
CN Taschereau	La Sarre-Cochrane (M. 99.00) (M. 181.42)	82.42	To be reconsidered by 1990.
CN Uxbridge (Campbellford Spur)	Peterborough-Lindsay (M. 63.25) (M.85.18) Incl. Lakefield Spur & Ashburnham Branch	32.16	To be considered in 1989.
CP Waterford	Hamilton-Brantford (M. 41.0) (M. 61.0)	20.0	To be considered in 1989.
	CN Total Miles	**465.00**	
	CP Total Miles	**162.05**	
	CSX Total Miles	**112.40**	

Manitoba

CN Chisel Lake	Optic Lake-Osborne Lake (M. 0.00) (M.71.05)	71.05	Ordered abandoned September 15, 1988.
CN Inwood	Grosse Isle-Fisher Branch (M. 0.50) (M. 72.00)	71.50	To be reconsidered in 1989.

CN Neepawa	Neepawa-Rossburn Junction (M. 33.6) (M. 37.79)	4.19	Abandonment contingent upon construction of connection. Funding not provided to date.
CN Rossburn	Rossburn Junction-Bethany (M. 0.00) (M. 11.90)	11.90	Abandonment contingent upon construction of connection. Funding not provided to date.
	CN Total Miles	**158.64**	

Saskatchewan

CN Central Butte	Moose Jaw Junction-Mawer (M. 39.37) (M. 85.00)	45.63	To be reconsidered by 1990.
CN Chelan	Reserve-Weekes (M. 0.00) (M. 12.87)	12.87	To be reconsidered in 1989.
CP Colony	Rockglen-Killdeer (M. 0.0) (M. 24.6)	24.6	Ordered abandoned August 1, 1989.
CN Corning	Peebles-Corning (M. 0.00) (M. 15.00)	15.00	To be reconsidered in 1989.
CN Cudworth	St. Louis (M. 84.60-M. 86.36)	1.76	Ordered abandoned August 6, 1988.
CN Erwood	Baden-Hudson Bay (M. 50.85) (M. 100.00)	49.15	To be reconsidered in 1989.
CP Kisbey	Griffin-Weyburn (M. 43.6) (M. 60.9)	17.3	To be reconsidered by 1990.
CP Neudorf	Rocanville-Esterhazy (M. 53.5) (M. 82.0)	28.5	To be reconsidered in 1989.
CN Porter	Oban Junction-Cando (M. 0.00) (M. 18.00)	18.00	To be reconsidered in 1989.
CN Preeceville	Preeceville-Kelvington (M. 72.73) (M. 113.58)	40.85	To be reconsidered by 1990.
	CN Total Miles	**183.26**	
	CP Total Mile	**70.4**	

Alberta

CP Altawan	Notukeu-Manyberries (M. 65.7) (M. 122.1)	56.4	To be reconsidered by 1990.
CN Coronado	Elk Point-Lindberg (M. 140.20) (M. 151.78)	11.58	To be considered in 1989.
CN-CP Langdon/ Rosedale-Bullpound Joint Section	Rosedale-East Coulee (M. 85.50) (M. 94.30)	8.80**	Ordered abandoned September 7, 1988.
CP Willingdon (Chemical Spur)	Mile 0.0-Mile 6.0	6.0	Ordered abandoned December 1, 1989.
	CN Total Miles	**20.38****	
	CP Total Miles	**71.2****	

British Columbia

CP Boundary	Robson West-Midway (M. 30.7) (M. 126.6) Incl. Carson & Carmi Spurs	100.3	To be reconsidered by 1990.
CN Cowichan	Victoria (M. 0.00) (M. 1.90)	1.90	To be reconsidered by 1990.
CN Cowichan (Saanich Spur)	Victoria (M. 0.00) (M. 1.37)	1.37	To be reconsidered by 1990.
CP Kaslo	Rosebery-Nakusp (M. 3.8) (M. 31.2)	27.4	Ordered abandoned December 31, 1988.
	CN Total Mile	**3.27**	
	CP Total Miles	**127.7**	

+ (2 Shogomoc cases are grouped together as one application. Total Mileage of 18.8 miles)
++ (2 Granby cases are grouped together as one application. Total Mileage of 49.24 miles)
+++ (Kincardine, Owen Sound & Newton are grouped together as one application. Total Mileage of 108.29 miles)
* included in one application
** includes CN-CP application for 8.80 miles of jointly owned track

APPENDIX D

SUMMARY OF ABANDONMENT DATES FIXED UNDER [SECTION 168 OF THE NTA, 1987]

ORDERS AND DECISIONS, 1988
BRANCH LINE ABANDONMENT

Subdivision	Between/Miles	Track Miles	Order No./ Date	Disposition
		New Brunswick		
CP St. Andrews	Champlain Spur-St. Andrews (18.1-27.8)	9.7	1988-R-897 88/10/07	Ordered abandoned November 6, 1988.
		Quebec		
CN Lac St. Jean	Ha Ha Bay Junction-Chicoutimi (205.65-210.96)	5.31	1988-R-398 88/04/29	Ordered abandoned May 1, 1988.
CN Montfort (Grenville Spur)	Grenmont-Saint André Est (0.00-17.70)	17.70	1988-R-714 88/08/15	Ordered abandoned September 14, 1988.
CN St. Raymond	Hedley-Jackson's (2.62-36.50)	33.88	1988-R-1085 88/11/30	Ordered continued.
CN Mont Royal	Val Royal-Cartierville (7.22-8.03)	0.81	1988-R-1084 88/11/30	Ordered abandoned December 30, 1988.
CN Granby	Granby-Chambly (9.00-44.00)	35.00	1988-R-1116 88/12/01	Ordered continued.
CN Granby (West Shefford Spur)	Clough-Farnham (0.00-14.24)	14.24	1988-R-1116 88/12/01	Ordered abandoned December 31, 1988.

		Ontario		
CP St. Mary's	St.Mary's (23.55-25.00)	1.45	1988-R-601 88/07/14	Ordered abandoned August 13, 1988
CN Southampton	Harriston Jct-Douglas Point (0.00-59.56)	59.56	1988-R-632 88/07/22	Ordered abandoned January 22, 1989.
CN Bruce Lake	Carroll Jct-Bruce Lake (0.00-66.16)	66.16	1988-R-745 88/08/26	Ordered abandoned September 25, 1988.
CP Goderich	Guelph-Goderich (34.9-112.1)	77.2	1988-R-1115 88/12/01	Ordered abandoned December 31, 1988.
CP Carleton Place	Nepean-Carleton Place (9.0-28.1)	19.1	1988-R-1248 88/12/29	Ordered abandoned December 29, 1989.
CN Renfrew	Nepean-Renfrew (0.00-43.78)	43.78	1988-R-1216 88/12/30	Ordered abandoned on the earlier of December 30, 1989 or date of commencement of alternative train services to BASF siding.
CSXT	West Lorne to St. Thomas (102.8-126.8)	24.0	Telex 1988/06/30	Ordered abandoned July 1, 1988.
		Manitoba		
CN Chisel Lake	Optic Lake-Osborne Lake (0.00-71.05)	71.05	1988-R-715 88/08/16	Ordered abandoned September 15, 1988.
		Saskatchewan		
CN Cudworth	St. Louis (84.60-86.36)	1.76	1988-R-573 88/07/06	Ordered abandoned August 6, 1988.

CP Colony	Rockglen-Killdeer (0.0-24.6)	24.6	1988-R-903 88/10/12	Ordered abandoned August 31, 1989.
	Alberta			
CN-CP Langdon/ Rosedale-Bullpound Joint Section	Rosedale-East Coulee (85.50-94.30)	8.80	1988-R-702 88/08/08	Ordered abandoned September 7, 1988.
CP Willingdon (Chemical Spur)	Mile 0.0-Mile 6.0 (0.0-6.0)	6.0	1988-R-1117 88/12/01	Ordered abandoned December 1, 1989.
	British Columbia			
CP Boundary	Robson West-Midway (Incl.Carson & Carmi Spurs) (30.7-126.6)	100.3	1988-R-547 88/06/30	Ordered continued.
CP Kaslo	Rosebery-Nakusp (3.8-31.2)	27.4	1988-R-1114 88/12/01	Ordered abandoned December 31, 1988.

APPENDIX E

1989
SUMMARY OF PLANS
FOR ABANDONMENT NOTICES AND APPLICATIONS

To determine the abandonment plans of the various railways under its jurisdiction the Agency solicited submissions from the following companies.

* Algoma Central Railway
* Burlington Northern (Manitoba) Limited
* Burlington Northern Railroad Company
* Canadian National Railway Company
* Canadian Pacific Limited
* Consolidated Rail Corporation
* CSX Transportation Incorporated
* Devco Railway
* The Essex Terminal Railway Company
* Napierville Junction Railway Company
* Nipissing Central Railway
* Norfolk and Western Railway Company
* Quebec North Shore and Labrador Railway Company
* Wabush Lake Railway Company Limited
* The White Pass and Yukon Corporation Limited

Of the companies canvassed, only Canadian National and Canadian Pacific submitted abandonment plans. None of the other companies indicated that they had any branch line abandonment plans for 1989.

Insofar as CN and CP are concerned, both railways have been assessing their rail networks to identify possible candidates for abandonment.

Whereas the following summary indicates the order of magnitude of notices and applications and approximate mileages to be submitted, the actual lines proposed to be abandoned are still subject to change contingent upon such factors as business decisions, government decisions and negotiations with customers.

SUMMARY OF PLANNED 1989 BRANCH LINE ABANDONMENT ACTIVITIES

	CN	CP	TOTAL
NOTICES OF INTENT	34	26	60
ABANDONMENT APPLICATIONS *	36	29	65
TOTAL MILEAGE	574	732	1,306

* Includes those applications received in 1989 for which notices of intent were filed in 1988.

RÉSUMÉ DES PROJETS D'ABANDON D'EMBRANCHEMENTS EN 1989

	CN	CP	TOTAL
PRÉAVIS	34	26	60
DEMANDES D'ABANDON*	36	29	65
MILLAGE TOTAL	574	732	1 306

* Comprend les demandes reçues en 1989 à la suite de préavis déposés en 1988.

ANNEXE E

RÉSUMÉ DES PROJETS DE DÉPÔT DE PRÉAVIS ET DE DEMANDES D'ABANDON POUR 1989

Afin d'établir les projets d'abandon des diverses sociétés ferroviaires relevant de ses pouvoirs, l'Office a demandé les renseignements pertinents aux sociétés suivantes :

* Algoma Central Railway
* Burlington Northern (Manitoba) Limited
* Burlington Northern Railroad Company
* Canadien National
* Canadien Pacifique
* Consolidated Rail Corporation
* CSX Transportation Incorporated
* Devco Railway
* The Essex Terminal Railway Company
* Napierville Junction Railway Company
* Nipissing Central Railway
* Norfolk and Western Railway Company
* Chemin de fer QNS&L
* Wabush Lake Railway Company Limited
* The White Pass and Yukon Corporation Limited

De toutes les sociétés interviewées, seuls le Canadien National et le Canadien Pacifique ont fait part de projets d'abandon de lignes. Aucune autre n'a indiqué qu'elle avait l'intention d'abandonner des embranchements ferroviaires en 1989.

Quant au CN et au CP, elles ont analysé leurs réseaux afin d'identifier les lignes qui pourraient être abandonnées.

Bien que le résumé suivant donne une idée du nombre de préavis et de demandes qui pourraient être présentés, ainsi que des millages approximatifs, les propositions réelles d'abandon peuvent encore être modifiées en raison de facteurs commerciaux, de décisions gouvernementales et de négociations avec les clients.

(CP) Goderich	Guelph-Goderich (p.m.34,9 - p.m.112,1)	77,2	1988-R-1115 1er déc. 1988	Abandon le 31 déc. 1988
(CP) Carleton Place	Nepean-Carleton Place (p.m.9,0 - p.m.28,1)	19,1	1988-R-1248 29 déc. 1988	Abandon le 29 déc. 1989
(CN) Renfrew	Nepean-Renfrew (p.m.0,00 - p.m.43,78)	43,78	1988-R-1216 30 déc. 1988	Abandon le 30 déc. 1989 ou à la date de commencement du service ferroviaire de remplacement à l'embranchement BASF, si celle-ci est plus tôt.
(CSXT)	West Lorne-St.Thomas (p.m.102,80 - p.m.126,8)	24,0	Télex 30 juin 1988	Abandon le 1er juill. 1988
Manitoba				
(CN) Chisel Lake	Optic Lake-Osborne Lake (p.m.0,00 - p.m.71,05)	71,05	1988-R-715 16 août 1988	Abandon le 15 sept. 1988
Saskatchewan				
(CN) Cudworth	St.Louis (p.m.84,60 - p.m.86,36)	1,76	1988-R-573 6 juill. 1988	Abandon le 6 août 1988
(CP) Colony	Rockglen-Killdeer (p.m.0,0 - p.m.24,6)	24,6	1988-R-903 12 oct. 1988	Abandon le 31 août 1989
Alberta				
(CN-CP) Langdon/ Rosedale-Bullpound Tronçon commun	Rosedale-East Coulee (p.m.85,50 - p.m.94,30)	8,80	1988-R-702 8 août 1988	Abandon le 7 sept. 1988
(CP) Willingdon (embr. Chemical)	(p.m.0,00 - p.m.6,0)	6,0	1988-R-1117 1er déc. 1988	Abandon le 1er déc. 1989
Colombie-Britannique				
(CP) Boundary	Robson West-Midway (y compris les embr. Carson et Carmi) (p.m.30,7 - p.m.126,6)	100,3	1988-R-547 30 juin 1988	Maintien en exploitation
(CP) Kaslo	Rosebery-Nakusp (p.m.3,8 - p.m.31,2)	27,4	1988-R-1114 1er déc. 1988	Abandon le 31 déc. 1988

ANNEXE D

RÉCAPITULATION DES DATES D'ABANDON DE LIGNES FIXÉES EN VERTU DE L'ARTICLE 168 DE LA *LNT DE 1987*

ARRETÉS ET DÉCISIONS, 1988
ABANDON D'EMBRANCHEMENTS

Subdivision	Entre les points milliaires	Nombre de milles	N° et date de l'arrêté	Décision
	Nouveau-Brunswick			
(CP) St.Andrews	Embr. Champlain-St.Andrews (p.m.18,1 - p.m.27,8)	9,7	1988-R-897 7 oct. 1988	Abandon le 6 nov. 1988
	Québec			
(CN) Lac-St-Jean	Jonction Baie des Ha Ha-Chicoutimi (p.m.205,65 - p.m.210,96)	5,31	1988-R-398 29 avr. 1988	Abandon le 1er mai 1988
(CN) Montfort (embr. Grenville)	Grenmont-Saint-André Est (p.m.0,00 - p.m.17,70)	17,70	1988-R-714 15 août 1988	Abandon le 14 sept. 1988
(CN) St-Raymond	Hedley-Jackson's (p.m.2,62 - p.m.36,50)	33,88	1988-R-1085 30 nov. 1988	Maintien en exploitation
(CN) Mont-Royal	Val Royal-Cartierville (p.m.7,22 - p.m.8,03)	0,81	1988-R-1084 30 nov. 1988	Abandon le 30 déc. 1988
(CN) Granby	Granby-Chambly (p.m.9,00 - p.m.44,00)	35,00	1988-R-1116 1er déc. 1988	Maintien en exploitation
(CN) Granby (embr. West Shefford)	Clough-Farnham (p.m.0,00 - p.m.14,24)	14,24	1988-R-1116 1er déc. 1988	Abandon le 31 déc. 1988
	Ontario			
(CP) St.Mary's	St.Mary's (p.m.23,55 - p.m.25,00)	1,45	1988-R-601 14 juill. 1988	Abandon le 13 août 1988
(CN) Southampton	Jonction Harriston-Douglas Point (p.m.0,00 - p.m.59,56)	59,56	1988-R-632 22 juill. 1988	Abandon le 22 janvier 1989
(CN) Bruce Lake	Jonction Carroll-Bruce Lake (p.m.0,00 - p.m.66,16)	66,16	1988-R-745 26 août 1988	Abandon le 25 sept. 1988

(CP) Willingdon (embr. Chemical)	p.m. 0,0 - p.m. 6,0	6,0	Abandon le 1er décembre 1989
	Longueur totale (CN)	**20,38****	
	Longueur totale (CP)	**71,2****	
	Colombie-Britannique		
(CP) Boundary	Robson West-Midway (y compris les embr. Carson et Carmi) (p.m. 30,7) (p.m. 126,6)	100,3	Réexamen d'ici à 1990
(CN) Cowichan	Victoria (p.m. 0,00) (p.m. 1,90)	1,90	Réexamen d'ici à 1990
(CN) Cowichan (embr. Saanich)	Victoria (p.m. 0,00) (p.m. 1,37)	1,37	Réexamen d'ici à 1990
(CP) Kaslo	Rosebery-Nakusp (p.m. 3,8) (p.m. 31,2)	27,4	Abandon le 31 décembre 1988
	Longueur totale (CN)	**3,27**	
	Longueur totale (CP)	**127,7**	

* Visés dans une seule demande

** Comprend la demande de CN-CP relative à 8,80 milles de tronçon commun.

\+ (Les deux demandes de Shogomoc sont regroupées en une seule. Longueur totale : 18,8 milles)

++ (Les deux demandes de Granby sont regroupées en une seule. Longueur totale : 49,24 milles)

+++ (Les demandes de Kincardine, Owen Sound et Newton sont regroupées en une seule. Longueur totale : 108,29 milles)

(CN) Rossburn	Jonction Rossburn-Bethany (p.m. 0,00) (p.m. 11,90)	11,90	L'abandon dépend de la construction d'un raccordement. Financement non fourni à ce jour.
	Longueur totale (CN)	**158,64**	
	Saskatchewan		
(CN) Central Butte	Jonction Moose Jaw-Mawer (p.m. 39,37) (p.m. 85,00)	45,63	Réexamen d'ici à 1990
(CN) Chelan	Reserve-Weekes (p.m. 0,00) (p.m. 12,87)	12,87	Réexamen en 1989
(CP) Colony	Rockglen-Killdeer (p.m. 0,0) (p.m. 24,6)	24,6	Abandon le 1er août 1989
(CN) Corning	Peebles-Corning (p.m. 0,00) (p.m. 15,00)	15,00	Réexamen en 1989
(CN) Cudworth	St. Louis (p.m. 84,60) (p.m. 86,36)	1,76	Abandon le 6 août 1988
(CN) Erwood	Baden-Hudson Bay (p.m. 50,85) (p.m. 100,00)	49,15	Réexamen en 1989
(CP) Kisbey	Griffin-Weyburn (p.m. 43,6) (p.m. 60,9)	17,3	Réexamen d'ici à 1990
(CP) Neudorf	Rocanville-Esterhazy (p.m. 53,5) (p.m. 82.0)	28,5	Réexamen en 1989
(CN) Porter	Jonction Oban-Cando (p.m. 0,00) (p.m. 18,00)	18,00	Réexamen en 1989
(CN) Preeceville	Preeceville-Kelvington (p.m. 72,73) (p.m. 113,58)	40,85	Réexamen d'ici à 1990
	Longueur totale (CN) **Longueur totale (CP)**	**183,26** **70,40**	
	Alberta		
(CP) Altawan	Notukeu-Manyberries (p.m. 65,7) (p.m. 122,1)	56,4	Réexamen d'ici à 1990
(CN) Coronado	Elk Point-Lindberg (p.m. 140,20) (p.m. 151,78)	11,58	Examen en 1989
(CN-CP) Langdon Rosedale-Bullpound Tronçon commun	Rosedale-East Coulee (p.m. 85,50) (p.m. 94,30)	8,80**	Abandon le 7 septembre 1988

CP Simcoe/ Waterloo	Galt-Brantford (p.m. 0,00) (p.m. 19,4)	19,4	Examen en 1989
	Galt (p.m. 0,00) (p.m. 0,8)	0,8	
(CN) Smiths Falls	Richmond-Smiths Falls (p.m. 13,00) (p.m. 34,05)	21,05	Réexamen en 1989
(CN) Southampton	Jonction Harriston-Douglas Point (p.m. 0,00) (p.m. 59,56)	59,56	Abandon le 22 janvier 1989
(CSXT) Subdivision*	West Lorne-St. Thomas (p.m. 102,8) (p.m. 126,8)	24,0	Abandon le 1er juillet 1988
(CSXT) Subdivision #1	Oldcastle-Leamington (p.m. 8,0) (p.m. 37,0)	29,0	Examen en 1989
	Leamington-Blenheim (p.m. 39,0) (p.m. 73,5)	34,5	Examen en 1989
	Blenheim-voie industrielle Black's (p.m. 75,3) (p.m. 95,5)	20,2	Examen en 1989
	Rodney-West Lorne (p.m. 98,1) (p.m. 102,8)	4,7	Examen en 1989
(CN) Taschereau	La Sarre-Cochrane (p.m. 99,00) (p.m. 181,42)	82,42	Réexamen d'ici à 1990
(CN) Uxbridge (embr. Campbellford)	Peterborough-Lindsay (p.m. 63,25) (p.m. 85,18) (y comp. les embr. Lakefield et Ashburnham)	32,16	Examen en 1989
(CP) Waterford	Hamilton-Brantford (p.m. 41,0) (p.m. 61,0)	20,0	Examen en 1989
	Longueur totale (CN)	**465,00**	
	Longueur totale (CP)	**162,05**	
	Longueur totale (CSXT)	**112,40**	

Manitoba

(CN) Chisel Lake	Optic Lake-Osborne Lake (p.m. 0,00) (p.m. 71,05)	71,05	Abandon le 15 septembre 1988
(CN) Inwood	Grosse Isle-Fisher Branch (p.m 0,50) (p.m. 72,00)	71,50	Réexamen en 1989
(CN) Neepawa	Neepawa-Jonction Rossburn (p.m. 33,6) (p.m. 37,79)	4,19	L'abandon dépend de la construction d'un raccordement. Financement non fourni à ce jour.

(CN) Temiscouata	Cabano-Edmundston East (p.m. 44,00) (p.m. 77,00)	33,00	Réexamen en 1989
	Longueur totale (CN) **Longueur totale (CP)**	**440,40** **132,00**	
	Ontario		
(CN) Bruce Lake	Jonction Carroll-Bruce Lake (p.m. 0,00) (p.m. 66,16)	66,16	Abandon le 25 septembre 1988
(CN) Burford	Brantford-Burford (p.m. 3,35) (p.m. 11,00)	7,65	Réexamen d'ici à 1990
(CP) Carleton Place	Nepean-Carleton Place (p.m. 9,0) (p.m. 28,1)	19,1	Abandon le 29 décembre 1989
(CN) Forest	Lucan-Parkhill (p.m. 15,50) (p.m. 30,50)	15,00	Réexamen en 1989
(CN) Goderich	Guelph-Goderich (p.m. 34,9) (p.m. 112,1)	77,2	Abandon le 31 décembre 1988
(CN) Kincardine+++	Listowel (p.m. 0,0) (p.m. 1,41)	1,41	Réexamen d'ici à 1990
(CN) Kincardine	Listowel-Wingham (p.m. 1,41) (p.m. 30,34)	28,93	Réexamen d'ici à 1990
(CN) Newton+++	Stratford-Palmerston (p.m. 1,17) (p.m. 36,62)	35,45	Réexamen d'ici à 1990
(CN) Owen Sound+++	Palmerston-Owen Sound (p.m. 0,00) (p.m. 71,43)	71,43	Réexamen d'ici à 1990
(CN) Renfrew	Nepean-Renfrew (p.m. 0,00) (p.m. 43,78)	43,78	Abandon le 30 décembre 1989 ou à la date de commencement du service ferroviaire de remplacement à l'embranchement BASF, si celle-ci est plus tôt.
(CP) St. Mary's	St. Mary's (p.m. 23,55 - p.m. 25,00)	1,45	Abandon le 13 août 1988
(CP) Simcoe/ Waterford	Waterford-Jonction Simcoe (p.m. 35,3) (p.m. 43,1)	7,8	Réexamen en 1989
	Brantford à Jonction L.E.&N. (y compr. l'embr. Waterford) (p.m. 63,7) (p.m. 78,9)	16,3	

Québec

(CN) Chandler	Ste-Adélaïde-Gaspé (p.m. 48,10) (p.m. 104,23)	56,13	Réexamen d'ici à 1990
(CN) Chapais	Franquet-Chapais (p.m. 72,06) (p.m. 169,40)	97,34	Audience publique tenue les 28 février et 2 mars 1989. Décision pendante.
(CN) Danville	Chaudière-Richmond (embr. Industrial, Victo Container et Victoriaville) (p.m. 0,00) (p.m. 87,22)	88,62	Abandon le 8 août 1989
(CN) Granby++	Granby-Chambly (p.m. 9,00) (p.m. 44,00)	35,00	Réexamen d'ici à 1990
(CN) Granby++ (embr. West Shefford)	Clough-Granby (p.m. 0,00) (p.m. 14,24)	14,24	Abandon le 31 décembre 1988
(CN) Lac St-Jean	Jonction Baie des Ha Ha-Chicoutimi (p.m. 205,65) (p.m. 210,96)	5,31	Abandon le 1er mai 1988
(CN) Montfort (embr. Grenville)	Grenmont-Saint-André-Est (p.m. 0,00) (p.m. 17,70)	17,70	Abandon le 14 septembre 1988
(CN) Mont-Royal	Val Royal-Cartierville (p.m. 7,22) (p.m. 8,03)	0,81	Abandon le 30 décembre 1988
(CP) Ste-Agathe	St-Jérôme-Ste-Agathe (p.m.13,6) (p.m. 44,4)	30,8	Réexamen en 1989
(CP) Ste-Agathe	Ste-Agathe-Mont-Laurier (p.m. 44,4) (p.m. 138,2)	93,8	Réexamen en 1989
(CN) St-Raymond	Hedley-Jackson's (p.m. 2,62) (p.m. 36,50)	33,88	Réexamen d'ici à 1991
(CN) St-Raymond	Jackson's-Rivière-à-Pierre (p.m. 36,50) (p.m. 55,57)	19,07	Réexamen en 1989
(CN) Sorel	Sorel-St-Grégoire (embr. Des Ormeaux et Bécancour) (p.m. 45,50) (p.m. 84,20)	39,30	Audience publique tenue le 16 juin 1988. Approbation du rapport par l'Office pendante.
(CP) Temiscaming	Témiscamingue-Gendreau (p.m. 40,5) (p.m. 47,9)	7,4	Examen en 1989

(CN) Murray Harbour	Maple Hill-Uigg (y compris une partie de l'embr. Mt. Herbert) (p.m. 0,00) (p.m. 17,77)	22,37	Réexamen en 1989
(CN) Souris	Jonction Royalty-Souris (p.m. 0,00) (p.m. 55,02)	55,02	Réexamen en 1989
(CN) Souris (embr. Elmira)	Jonction Harmony-Baltic (p.m. 0,00) (p.m. 5,00)	5,00	Réexamen en 1989
	Longueur totale (CN)	**235,01**	
	Nouveau-Brunswick		
(CP) Aroostook	Aroostook-frontière internationale (p.m. 0,0) (p.m. 4,8)	4,8	Examen en 1989
(CN) Caraquet	East Bathurst-Tracadie (y compris l'embr. Shippagan) (p.m. 4,34) (p.m. 72,04)	74,97	Réexamen en 1989
(CP) Houlton	Debec-frontière internationale (p.m. 0,00) (p.m. 5,00)	5,00	Examen en 1989
(CP) St. Andrew's	Embr. Champlain-St. Andrew's (p.m. 18,1) (p.m. 27,8)	9,7	Abandon le 6 novembre 1988
(CN) St.Quentin	Tide Head-Jonction I.N.R. (p.m. 0,00) (p.m. 103,50)	103,50	Réexamen en 1989
(CP) Shogomoc+	Woodstock-Newburg (p.m. 51,5) (p.m. 54,2)	2,7	Examen en 1989
(CP) Shogomoc+	Upper Kent-Aroostook (p.m. 88,5) (p.m. 104,6)	16,1	Examen en 1989
(CP) Tobique	Jonction Perth-Plaster Rock (p.m. 0,0) (p.m. 27,5)	27,5	Examen en 1989
(CN) Tormentine	Sackville-Tormentine (p.m. 0,00) (p.m. 35,39)	35,39	Examen en 1989
	Longueur totale (CN)	**213,86**	
	Longueur totale (CP)	**65,8**	

ANNEXE C

DEMANDES D'ABANDON DE LIGNES FERROVIAIRES
[paragraphe 160(4) de la *LNT de 1987*]

Société ferroviaire/ Subdivision	Entre les points milliaires	Nombre de milles	État
	Terre-Neuve		
(CN) Stephenville	White's Road-Stephenville (p.m. 0,00) (p.m. 7,00)	7,00	Abandon le 22 février 1989
	Longueur totale (CN)	**7,00**	
	Nouvelle-Écosse		
(CN) Chester	Barry's Stillwater Marsh-Liverpool (p.m. 42,25) (p.m. 109,07) (y compr. les embr. Lunenburg et Blue Rocks)	77,02	Examen en 1989
(CP) Kentville	Kentville-Annapolis Royal (p.m. 4,6) (p.m. 58,4)	53,8	Examen en 1989
(CP) Yarmouth	Annapolis Royal-Yarmouth (p.m. 0,0) (p.m. 86,6)	86,6	Examen en 1989
	Longueur totale (CN)	**77,02**	
	Longueur totale (CP)	**140,4**	
	Île-du-Prince-Édouard		
(CN) Borden	Charlottetown-Borden (p.m. 0,00) (p.m. 42,40)	42,40	Examen en 1989
(CN) Kensington	Jonction Emerald-Linkletter (p.m. 0,00) (p.m. 19,45)	19,45	Examen en 1989
(CN) Kensington	Linkletter-Tignish (p.m. 19,45) (p.m. 84,61)	65,16	Réexamen en 1989
(CN) Montague	Jonction Mount Stewart-Montague (p.m. 0,00) (p.m. 25,61)	25,61	Réexamen en 1989

ANNEXE B

RÉSUMÉ DES DEMANDES D'ABANDON EN 1988
[PARAGRAPHE 160(4) DE LA *LNT DE 1987*]

Province	Nombre de demandes			Millage		
	CN	CP	Total	CN	CP	Total
Terre-Neuve	1	S.o.	1	7,00	S.o.	7,00
Nouvelle-Écosse	1	2	3	77,02	139,8	216,82
Île-du-Prince-Édouard	7	S.o.	7	235,01	S.o.	235,01
Nouveau-Brunswick+	3	5	8	216,12	65,8	281,92
Québec++	11	3	14	440,40	132,0	572,40
Ontario+++	10	6	18*	465,00	162,05	739,45*
Manitoba	4	S.o.	4	158,64	S.o.	158,64
Saskatchewan	7	3	10	183,26	70,4	253,66
Alberta	2**	3**	5**	20,38**	71,20**	91,58**
Colombie-Britannique	2	2	4	3,27	127,7	130,97
Total	48	24	73	1 806,10	768,95	2 687,45

+ (Les deux demandes de Shogomoc sont regroupées en une seule. Longueur totale : 18,8 milles)
++ (Les deux demandes de Granby sont regroupées en une seule. Longueur totale : 49,24 milles)
+++ (Les demandes de Kincardine, Owen Sound et Newton sont regroupées en une seule. Longueur totale : 108,29 milles)
* (Comprend deux demandes de CSX Transportation, portant sur cinq segments de 112,4 milles)
** (Comprend une demande CN-CP pour 8,80 milles de voies à tronçon commun)

CN Uxbridge (embr. Campbellford)	Peterborough à Lindsay (p.m.63,25 - p.m.85,18) Y compris l'embr. Lakefield (p.m.0,0 - p.m.9,51) Y compris l'embr. Asburnham (p.m.0,0 - p.m.0,72)	32,16	17 mars 1988
CP Waterford	Hamilton à Brantford (p.m.41,0 - p.m.61,0)	20,0	30 mai 1988
	Longueur totale (CN)	**71,53**	
	Longueur totale (CP)	**64,3**	

ALBERTA

CN Coronado	Lindbergh à Heinsburg (p.m.151,78 - p.m.160,02)	8,24	10 février 1988
CP Willingdon	Embr. Chemical (p.m.0,0 - p.m.6,0)	6,0	8 février 1988
	Longueur totale (CN)	**8,24**	
	Longueur totale (CP)	**6,0**	

COLOMBIE-BRITANNIQUE

CP Westminster (embr. Van Horne) *	p.m. 3,33 au p.m. 7,18	3,85	14 octobre 1988
	Longueur totale (CP)	**3,85**	

* Sous réserve de détermination par l'Office, au titre du paragraphe 157(4), que cette voie n'est pas incluse dans le contrôle de l'abandon. Enquête en cours.

	Upper Kent à Aroostook (p.m.88,5 - p.m.104,6)	16,1	
CP Tobique	Jonction Perth à Plaster Rock (p.m.0,0 - p.m.27,5)	27,5	7 mars 1988
CN Tormentine	Sackville à Tormentine (p.m.0,0 - p.m.35,39)	35,39	18 juillet 1988
	Longueur totale (CN)	**35,39**	
	Longueur totale (CP)	**65,8**	
	QUÉBEC		
CN Mont Royal	Val Royal à Cartierville (p.m.7,22 - p.m.8,03)	0,81	5 février 1988
CP Témiscaming	Témiscamingue à Gendreau (p.m.40,5 - p.m.47,9)	7,4	21 mars 1988
CP Beebe	Lennoxville à jonction Beebe (p.m.2,9 - p.m.33,9)	31,0	31 mai 1988
CP Drummondville	Foster à Drummondville (p.m.0,00 - p.m.46,7) Y compris les embr. industriels de Drummondville et de L'Avenir	48,6	5 mai 1988
CP Stanstead	Jonction Beebe à Rock Island (p.m.0,0 - p.m.2,4)	2,4	31 mai 1988
	Longueur totale (CN)	**0,81**	
	Longueur totale (CP)	**89,4**	
	ONTARIO		
CN Forest	St. Mary's à Lucan (p.m.0,00 - p.m.15,50)	15,50	30 novembre 1988
CN Newmarket (embr. Beeton et Alliston)	Beeton à Barrie (p.m.58,75 - p.m.77,10)	23,87	15 décembre 1988
CP Simcoe/ Waterford	Waterford à jonction Simcoe (p.m.35,3 - p.m.43,1)	7,8	11 juin 1988
	Brantford à jonction L.E.&N. (p.m.63,7 - p.m.78,9) Y compris l'embr. Waterford	16,3	
CP Simcoe/ Waterloo	Main Street Galt à Brantford (p.m.0,0 - p.m.19,4)	19,4	8 juillet 1988
	Main Street Galt (p.m.0,0 - p.m.0,8)	0,8	

ANNEXE A

PRÉAVIS D'INTENTION DE PRÉSENTER UNE DEMANDE D'ABANDON EN 1988 [PARAGRAPHE 160(1), *LNT DE 1987*]

Province/Société/ Subdivision	Limites	Longueur en milles	Date de réception
	NOUVELLE-ÉCOSSE		
CN Chester	Barry's Stillwater Marsh à Liverpool (p.m.42,25-p.m.109,07) Y compris les embr. Lunenburg et Blue Rocks	77,02	22 mars 1988
CP Kentville	Kentville à Annapolis Royal (p.m.4,6 - p.m.58,4)	53,8	28 mars 1988
CP Yarmouth	Annapolis Royal à Yarmouth (p.m.0,0 - p.m.86,6)	86,6	28 mars 1988
	Longueur totale (CN)	**77,02**	
	Longueur totale (CP)	**140,4**	
	ÎLE-DU-PRINCE-ÉDOUARD		
CN Borden	Charlottetown à Borden (p.m.0,0 - p.m.42,4)	42,4	18 juillet 1988
CN Kensington	Jonction Emerald à Linkletter (p.m.0,0 - p.m.19,45)	19,45	18 juillet 1988
	Longueur totale (CN)	**61,85**	
	NOUVEAU-BRUNSWICK		
CP Aroostook	Aroostook à frontière internationale (p.m.0,0 - p.m.4,8)	4,8	7 mars 1988
CP Houlton	Debec à frontière internationale (p.m.0,0 - p.m.5,0)	5,0	7 mars 1988
CP St. Andrews	Embr. Champlain à St. Andrews (p.m.18,1 - p.m.27,8)	9,7	17 février 1988
CP Shogomoc	Woodstock à Newburg (p.m.51,5 - p.m.54,2)	2,7	7 mars 1988

RAPPORT SUR LES ACTIVITÉS RELATIVES À L'ABANDON D'EMBRANCHEMENTS AU TITRE DE *LA LOI NATIONALE DE 1987 SUR LES TRANSPORTS*

CONTEXTE

Le paragraphe 267(3) de la *Loi nationale de 1987 sur les transports* exige que l'Office national des transports soumette au ministre des Transports un rapport résumant les activités de 1988 relatives à l'abandon d'embranchements ferroviaires.

Plus précisément, l'alinéa 267(3) *a*) stipule que le rapport de l'Office au sujet de l'année civile 1988 doit comprendre un résumé :

- des préavis d'intention d'abandonner des embranchements présentés au titre du paragraphe 160(1);
- des demandes d'abandon d'embranchements déposées au titre du paragraphe 160(4);
- des dates d'abandon établies durant l'année au titre de l'article 168;
- des projets de chaque société ferroviaire relevant de l'Office concernant le dépôt de tels préavis et de telles demandes durant l'année suivante, soit 1989.

Les renseignements pertinents sont classés dans les annexes suivantes :

ANNEXE A - Préavis d'intention de présenter une demande d'abandon en 1988

ANNEXE B - Résumé des demandes d'abandon en 1988

ANNEXE C - Demandes d'abandon de lignes ferroviaires

ANNEXE D - Récapitulation des dates d'abandon de lignes fixées en vertu de l'article 168 de la *LNT de 1987*

ANNEXE E - Résumé des projets de dépôt de préavis et de demandes d'abandon pour 1989

ANNEXES

DEMANDES DE RÉVISION

Conformément aux nouvelles dispositions de la nouvelle législation, l'Office a reçu cinq demandes de révision touchant des transporteurs aériens. L'une d'entre elles a été reportée à 1989 et une autre a été résolue lorsque le transporteur a obtenu un permis par la suite. Quant aux trois dernières, elles ont été réglées en deux mois, deux mois et demi et cinq mois.

Sur cinq demandes concernant les services ferroviaires, l'une d'entre elles, relative à un embranchement, a été agréée lorsque de nouvelles données ont été fournies et la date d'abandon a été reportée au 1er juillet 1989. La révision de ce dossier a pris moins d'un mois. Une autre demande a été rejetée car aucun changement n'était intervenu au niveau des faits ou des circonstances. La révision de ce dossier a pris moins de trois mois. Les trois autres demandes sont encore à l'étude en 1989.

transporteurs, trois plaintes seulement ont exigé plus de deux mois.

Médiation et arbitrage

De nouveaux mécanismes de règlement des différends pouvant survenir entre les expéditeurs et les transporteurs ou entre des transporteurs, à propos de services de transport de marchandises, ont été établis par la *LNT*. L'Office n'a reçu aucune demande de médiation ou d'arbitrage touchant au transport aérien en 1988.

Toutefois, il a répondu à plus de 25 demandes d'aide concernant des différends ferroviaires et touchant des questions de tarifs, de services, d'infrastructure et d'abandons de ligne.

La Loi donne 30 jours à l'Office pour résoudre toute demande officielle de médiation; dans la majorité des cas, l'Office a répondu dans les délais, en proposant des solutions qui ont satisfait les parties. Quant aux demandes ayant exigé plus de 30 jours, le délai supplémentaire est survenu soit en raison d'une demande des parties ou de leur consentement et ce, afin d'étudier de nouvelles options aptes à permettre la résolution des différends.

Fusions et acquisitions

L'Office a reçu seulement deux projets d'acquisition d'entreprises de transport aérien exigeant la parution d'un avis public. Dans les deux cas, l'avis a été diffusé dans la *Gazette du Canada* dans un intervalle de deux semaines après la réception du dossier complet. Personne n'ayant soulevé d'objection, toutes les parties ont été informées, dans la semaine suivant le délai d'avis public de 30 jours, que les transactions proposées ne feraient l'objet d'aucun autre examen par l'Office.

Douze projets d'acquisition d'entreprises de transport par véhicules à moteur exigeant un avis public ont été reçus. Dans tous les cas, l'avis a été publié dans la *Gazette du Canada* dans un délai de deux jours à deux semaines après la réception de la demande. Dans un cas, le projet a été abandonné par consentement mutuel des parties. Dans les 11 autres, aucune objection n'ayant été soulevée, les parties ont été informées, dans les sept jours suivant la période de 30 jours d'avis public, que les acquisitions projetées ne feraient l'objet d'aucune autre étude par l'Office et les dossiers ont été classés. Au début de 1989, un tel avis a été envoyé parce que le projet d'acquisition avait été communiqué à l'Office à la fin de 1988.

RATIONALISATION DU RÉSEAU FERROVIAIRE

Demandes d'abandon d'embranchements

Les dispositions de la *LNT* relatives à l'abandon d'embranchements ont été conçues pour rationaliser les dispositions correspondantes de la *Loi sur les chemins de fer*, en établissant des critères, des règles et des délais très précis pour tous les aspects de la procédure.

Durant sa première année d'activité, l'Office a dû traiter des demandes qui avaient été acheminées à son prédécesseur, la Commission canadienne des transports (CCT), réexaminer des dossiers qui avaient déjà fait l'objet de décisions de la part de la CCT et s'occuper des nouvelles demandes qui lui ont été adressées en vertu de la *LNT*. Au total, il a été saisi de 73 dossiers en 1988.

Conformément aux limites législatives, seulement 43 de ces demandes exigeaient une décision en 1988. L'Office en a réglé 20, dont cinq à la suite d'audiences publiques. Quant aux autres dossiers, ils ont été reportés à 1989, l'Office espérant que la plupart auront été réglés d'ici au milieu de l'année.

Demandes concernant des gares

Parallèlement à la *LNT*, des modifications importantes ont été apportées aux articles de la *Loi sur les chemins de fer* concernant les gares afin d'accorder aux sociétés ferroviaires des pouvoirs discrétionnaires élargis pour la gestion de leurs ressources.

Bien qu'en 1988 l'Office ait été saisi d'un nombre important de dossiers à ce sujet, ses pouvoirs en la matière ont été contestés par VIA Rail, ce dernier ayant l'appui du CN et du CP. Par ailleurs, un projet de loi récemment adopté sur la protection du patrimoine n'a pas encore été proclamé mais, dès son entrée en vigueur, ses dispositions auront peut-être une incidence sur le traitement des demandes concernant les gares.

MÉCANISMES DE RÈGLEMENT DES DIFFÉRENDS

Plaintes et enquêtes

Services aériens

L'Office a reçu trois plaintes au sujet du niveau des tarifs de base, soit de classe économique, appliqués par des transporteurs pour des services de passagers sur des liaisons spécifiques du Canada. Selon la Loi, les décisions doivent être rendues dans les 120 jours suivant la réception des plaintes. Dans les cas considérés, les décisions ont été rendues en 103, 115 et 117 jours respectivement.

Au cours de l'année, l'Office a également reçu et traité 278 plaintes officielles et officieuses portant sur de nombreux aspects des services offerts par les transporteurs aériens. Dans la moitié des cas, les demandeurs exigeaient que l'Office soumette le dossier au transporteur concerné et attende sa réponse, ce sur quoi l'Office n'exerce aucun pouvoir. Il a fallu 57 jours pour traiter ces 278 plaintes en moyenne, 83 jours durant le premier semestre et 30 jours le deuxième. Cinquante-neuf de ces plaintes ont été traitées en moins de 15 jours tandis que 36 autres, toutes officieuses, ont exigé plus de 120 jours.

De plus, l'Office a fait enquête sur 15 plaintes ou différends émis par des transporteurs aériens et portant sur les applications tarifaires d'autres transporteurs offrant des services internationaux. Tous ces dossiers ont été résolus dans un délai moyen d'un mois et demi, deux d'entre eux ayant exigé trois semaines ou moins et deux autres, trois mois ou plus.

Services de transport par eau

L'Office a reçu deux plaintes officielles concernant des services de transport par eau.

L'une des plaintes a exigé 126 jours pour être résolue et l'autre était encore à l'étude à la fin de l'année.

Services ferroviaires

En matière d'interconnexion, dix dossiers ont été soumis à l'Office. Cinq ont été réglés, dont deux ont ensuite été portés en appel devant la Cour fédérale; deux d'entre eux ont été retirés, et trois autres, reçus tard dans l'année, étaient encore à l'étude en 1989.

L'Office a reçu deux demandes liées aux services ferroviaires concernant les dispositions de la Loi relatives aux droits de circulation et à l'usage commun des voies. L'une de ces demandes a été réglée et l'autre était toujours à l'étude à la fin de l'année.

Deux litiges concernant les obligations des transporteurs ferroviaires et exigeant une décision dans les 120 jours ont été soumis à l'Office. L'un d'entre eux a été réglée dans les délais prescrits, mais a ensuite été porté en appel devant la Cour fédérale. L'autre a été reçu en décembre 1988.

Douze plaintes ou demandes officielles concernant les services de transport ferroviaire de passagers ont également été résolues par l'Office. De plus, ce dernier a traité 40 demandes transmises par le cabinet du Ministre concernant des problèmes de service; toutes ont été traitées dans les délais prescrits.

L'Office a reçu deux demandes d'établissement de prix de ligne concurrentiels qui devaient être traitées en 45 jours. La première a fait l'objet d'une décision dans les délais impartis et a ensuite été portée en appel devant la Cour fédérale. L'autre a été retirée.

Deux demandes concernant des tarifs ferroviaires non compensatoires ont été reçues durant l'année : une a été réglée et l'autre était à l'étude à la fin de 1988.

En 1988, sur les cinq plaintes ou demandes officielles reçues en 1988 au sujet des tarifs ferroviaires, l'une était assortie d'un délai statutaire en vertu de la *LTGO*. L'Office avait 120 jours pour régler l'affaire mais a rendu sa décision en 91 jours seulement.

Services de transport offerts aux personnes handicapées

En 1988, l'Office a reçu 41 plaintes concernant des services de transport offerts aux personnes handicapées. De ce nombre, 32 ont été réglées en 1988 et neuf ont été reportées à 1989 en raison de leur date de réception. Dix-huit plaintes ont été réglées en moins d'un mois et 11, entre un et deux mois. À cause des réponses tardives des

60 jours ou moins, dont 22 d'entre elles en 30 jours ou moins. Quant aux trois demandes reçues pour la suspension ou l'annulation des permis d'exploitation de services dans cette partie du pays, 71 jours en moyenne ont été nécessaires pour rendre les décisions.

En 1988, l'Office a reçu 185 demandes d'exploitation de services nouveaux ou modifiés de transport aérien intérieur en provenance, à destination ou à l'intérieur de la zone désignée. De telles demandes doivent faire l'objet d'un avis public. Ainsi, les parties intéressées ont la possibilité de présenter leurs objections et les demandeurs, celle d'y répondre, ce qui prend normalement 45 jours en tout.

Quarante-six de ces 185 demandes ont fait l'objet d'une décision dans un délai de 90 jours, 117 d'entre elles nécessitant de 90 à 120 jours. Les 22 autres demandes ont exigé plus que les 120 jours prévus par la Loi, en raison de circonstances extraordinaires ou de difficultés de départ liées à l'élaboration des procédures.

Vingt-trois demandes de suspension ou d'annulation de permis ou de parties de permis concernant des services en provenance, à destination ou à l'intérieur du Nord canadien ont exigé en moyenne 63 jours, tandis que 20 demandes d'autorisation temporaire, de dispense ou d'exemption ont été traitées dans un délai d'environ 34 jours.

Un autre groupe de 87 demandes reçues en 1988 au sujet de services de transport aérien intérieurs étaient encore à l'étude à la fin de l'année.

Quant aux services internationaux, 26 demandes d'exploitation de services réguliers ont été reçues en 1988, dont le délai d'étude se répartit équitablement entre trois groupes très distincts : 30 jours ou moins, 31 à 60 jours et 61 à 90 jours. Deux d'entre elles ont exigé plus de 120 jours mais, chaque fois, toutes les parties concernées avaient consenti à proroger les délais.

Environ la moitié des 165 demandes reçues pour des services internationaux sur demande ont exigé la parution d'un avis public, étape qui requiert 45 jours. De ce nombre, 120 ont été traitées en 90 jours ou moins, et 24 ont excédé le délai de 120 jours prévu par la Loi, les retards étant tous survenus au début de l'année. Parmi ces demandes, deux ont donné lieu à une prorogation de délai acceptée.

Les cinq demandes d'autorisation temporaire de services internationaux ont été traitées en moins d'une semaine et le traitement des 107 demandes d'exemption, en moyenne en un mois.

À la fin de l'année, 63 autres demandes de services internationaux étaient encore à l'étude.

Demandes de permis de fréteurs aériens

L'Office a reçu 2 534 demandes de permis d'exploitation de programmes spécifiques d'affrètement, dont trois seulement concernant des services intérieurs. La réglementation établit des critères différents de dépôt préalable de renseignements pour chaque type de service d'affrètement proposé et le délai imparti à l'Office pour traiter les dossiers varie selon le type de service. Dans tous les cas, ceux-ci ont été traités avant la date de départ des vols proposés.

Sur ces 2 500 demandes et plus, 420 étaient accompagnées de demandes d'exemption, qui ont toutes été prises en considération en même temps que les demandes correspondantes.

Permis aériens de remplacement

Des permis ont également été délivrés conformément aux dispositions de la nouvelle loi afin de remplacer ceux qui avaient été émis dans le cadre de la législation antérieure soit, au total, 1 638 pour des services intérieurs et 1 376 pour des services internationaux. Tous ces nouveaux permis ont été délivrés avant le 31 décembre 1988.

Demandes de permis pour l'approvisionnement par eau du Nord

En vertu des dispositions de protection des droits acquis, soit les articles 225 et 226, de la partie V de la *LNT*, abstraction faite des demandes retirées, cinq transporteurs ont été autorisés en 1988 en l'occurrence, quatre en août et un en septembre. Une autre demande était encore à l'étude à la fin de l'année en raison du retard du transporteur à fournir l'information pertinente.

LA PREMIÈRE ANNÉE DE L'OFFICE

Un processus de réglementation expéditif permettant de mieux répondre aux besoins de transport du Canada.

Cette partie du rapport touche un aspect particulier des questions devant être examinées par l'Office, à savoir « les délais nécessaires pour l'étude des demandes, plaintes ou autres questions soumises à l'Office en vertu de toute loi fédérale ».

Le 1er janvier 1988, l'Office s'est vu confier la responsabilité de la réglementation fédérale du transport canadien. Au Canada, l'optique de la réglementation économique des transports a été modifiée, la structure ayant été rationalisée et orientée vers la prestation de services de règlement des différends dans un délai défini et vers la protection de l'intérêt public.

Les questions suivantes liées aux trois principaux domaines d'activité de l'Office sont étudiées : la délivrance de permis, la procédure de règlement des différends, la rationalisation du réseau ferroviaire, ainsi que les demandes de révision menées au cours de l'année 1988. L'Office a porté en 1988 une attention particulière au recrutement et à la formation de personnel de même qu'à l'élaboration de procédures.

Les résultats de la première année d'activité démontrent que la structure préconisée par l'Office pour intégrer ses divers services lui a permis de mieux répondre aux besoins des prestataires et des utilisateurs des services de transport.

PERMIS

Demandes de permis de transport aérien

Reçues et traitées en 1988, les 32 demandes d'exploitation de services nouveaux ou modifiés de transport aérien intérieur dans les régions du sud du Canada ont toutes fait l'objet d'une décision en

Dans l'industrie du transport aérien, Canadien International a réussi à négocier des ententes avec ses pilotes, ses employés de service et d'entretien, et ses agents passagers, en leur octroyant des augmentations salariales de 4 p. cent. La négociation collective négociée par Air Canada avec ses employés et ses mécaniciens au sol, ratifiée au début de janvier 1988 après un arrêt de travail de deux semaines ayant pris fin le 17 décembre 1987, contient une formule d'indexation partielle des pensions. Les pilotes, les agents de bord, les employés d'entretien des appareils et les agents de vente et de service des affiliés d'Air Canada ont également obtenu une augmentation de salaire de 4 p. cent en 1988.

Dans l'industrie du camionnage, deux conventions collectives d'importance ont été rapportées par Travail Canada. Les employés de service, les chauffeurs d'approvisionnement, les mécaniciens d'entretien et les manutentionnaires de colis de United Parcel Service Canada ont tous obtenu une augmentation de 70 cents par heure en 1988. Chez Transport Provost Inc., une augmentation de salaire de 4 p. cent a été négociée avec ses 600 employés.

Bon nombre de négociations collectives en vigueur en 1988 avaient été négociées en 1987, année particulièrement chargée pour l'industrie du transport sur le plan de la négociation collective. Les conventions signées en 1987 ou 1988 étaient généralement d'une durée de deux, trois, voire quatre ans. Dans le secteur ferroviaire, toutes les conventions collectives sont venues à échéance le 31 décembre 1988.

Le Conseil canadien des relations du travail gère la partie du *Code canadien du travail* portant sur les relations industrielles. Le Conseil, dont une partie importante de la charge de travail provient de l'industrie du transport, a été saisi d'un nombre sensiblement moins élevé de demandes et de dossiers déposés par cette industrie en 1988.

Le nombre de travailleurs touchés par des grèves et des lockouts, et le nombre de journées-personnes non travaillées pour les mêmes raisons ont diminué dans l'industrie du transport.

Quant au nombre de grèves et de lockouts dans l'industrie canadienne du transport, il a été le même en 1987 et 1988 : un conflit de travail dans le secteur ferroviaire, quatre dans le secteur aérien, quatre dans le secteur du transport par eau et cinq dans le secteur du camionnage.

La grève du secteur ferroviaire a touché un nombre inférieur de travailleurs que celle déclenchée en 1987, mais elle a porté sur une plus longue période; toutefois, elle n'a généré aucune interruption des services ferroviaires au pays. Par rapport à 1987, le taux d'absentéisme en 1988 à cause de grèves et de lockouts dans le secteur ferroviaire a diminué.

Quant au secteur des transports aérien et par eau, les grèves et les lockouts de 1988 ont touché moins de travailleurs et ont en moyenne duré moins longtemps qu'en 1987. En 1987 ou 1988, il n'y a eu ni grève, ni lockout chez les transporteurs par eau du Nord et dans le secteur des services de fret général. Quant au transport maritime international, c'est seulement dans le port de Montréal que les lignes maritimes internationales ont été confrontées à plus de grèves et de lockouts en 1988 qu'en 1987, soit 12 jours contre quatre. En 1987 et 1988, les grands ports canadiens de Halifax, de Vancouver et de Saint John n'ont signalé que peu ou pas de perturbations du travail.

Dans l'industrie du camionnage, 15 400 journées-personnes n'ont pas été travaillées en 1988 à cause de grèves et de lockouts comparativement à 11 800 en 1987.

représentants des ventes dans l'industrie. Quant aux transporteurs par eau du Nord, leurs niveaux d'emploi n'ont que peu ou pas du tout varié, la plupart travaillant avec une main-d'œuvre très réduite sans variation notable d'une année à l'autre.

Au chapitre des rémunérations, des différences modales et régionales dans l'industrie du transport ont été enregistrées.

Les différences marquées de rémunération qui existent entre les diverses industries et régions se retrouvent aussi dans l'industrie du transport. Elles reflètent l'influence de nombreux facteurs, tels les politiques salariales des employeurs, le degré de syndicalisation, la demande de produits et de services de la firme, la place de la firme sur le marché, ainsi que de sa taille, de sa rentabilité et de son emplacement géographique.

Pour l'ensemble du Canada, la rémunération hebdomadaire moyenne a augmenté de 4,5 p. cent entre 1987 et 1988. Exception faite de l'industrie du transport par eau avec 3,2 p. cent, la rémunération hebdomadaire moyenne dans les divers secteurs de l'industrie du transport a été supérieure à la moyenne nationale : 4,7 p. cent dans le secteur ferroviaire, 5,4 p. cent dans le secteur aérien et 7,2 p. cent dans le secteur du camionnage.

Les hausses de rémunération les plus importantes dans l'industrie du transport ont été enregistrées au Manitoba (6,5 p. cent), en Ontario (6,4 p. cent), au Québec (6,2 p. cent), en Saskatchewan (6 p. cent) et en Colombie-Britannique (4,1 p. cent). Dans toutes les autres provinces, elles ont été inférieures à l'augmentation de l'indice national des prix à la consommation.

Comme la rémunération hebdomadaire moyenne englobe la rémunération des heures supplémentaires, l'augmentation procentuelle des rémunérations ne reflète pas nécessairement les hausses salariales consenties en 1988.

Les hausses salariales consenties dans le cadre des conventions collectives de l'industrie du transport ont été inférieures à l'augmentation annuelle moyenne.

Selon les données fournies par Travail Canada, les hausses salariales annuelles consenties dans l'industrie du transport ont été inférieures à l'augmentation annuelle moyenne rapportées dans les conventions collectives (tableau 9.1).

Dans l'industrie du chemin de fer, après une grève de cinq jours au mois d'août 1987, arrêtée par une loi de retour au travail, un arbitre a accordé en février 1988 une augmentation annuelle moyenne de 3,2 p. cent aux 50 000 employés du rail en 1988. D'autre part, après un arrêt de travail de trois mois et demi, CP est parvenu à une entente avec plusieurs syndicats de métiers d'atelier représentant 3 000 employés en leur consentant une augmentation de 3,2 p. cent en 1988. Une entente semblable a été négociée entre le CN et ses propres employés de métiers d'atelier.

Tableau 9.1

Augmentation salariale négociée et indice des prix à la consommation

	Augmentation salariale négociée		Indice des prix à la consommation
	Transports et communication (%)	Toutes les industries (%)	(%)
1986	3,3	3,5	4,0
1987	3,1	4,1	4,3
1988	3,6	4,3	4,1

Source : Travail Canada et Statistique Canada.

L'EMPLOI

Le niveau global de l'emploi dans l'industrie du transport a augmenté grâce à l'essor des secteurs du camionnage et aérien.

Par rapport à 1987, la hausse globale du niveau de l'emploi au Canada en 1988 a été de l'ordre de 1,7 p. cent; dans l'industrie des transports, elle a été de 1,4 p. cent, le nombre total d'employés atteignant 462 000.

Des augmentations de 7,2 p. cent ont été enregistrées dans le secteur aérien et de 2,8 p. cent dans celui du camionnage. Le niveau d'emploi dans l'industrie du transport aérien a augmenté au Nouveau-Brunswick, au Québec, en Ontario, au Manitoba, en Alberta et en Colombie-Britannique. Au cours de l'année, certains transporteurs aériens locaux ont mentionné que la pénurie de pilotes commençait à poser un problème. Dans l'industrie du camionnage, le niveau d'emploi a augmenté à Terre-Neuve, à l'Île-du-Prince-Édouard, au Québec, en Ontario, au Manitoba, en Saskatchewan et en Alberta.

Les niveaux d'emploi dans les secteurs ferroviaire et maritime ont continué de baisser en 1988, le déclin annuel moyen étant respectivement de 4 et 3,5 p. cent de 1978 à 1988.

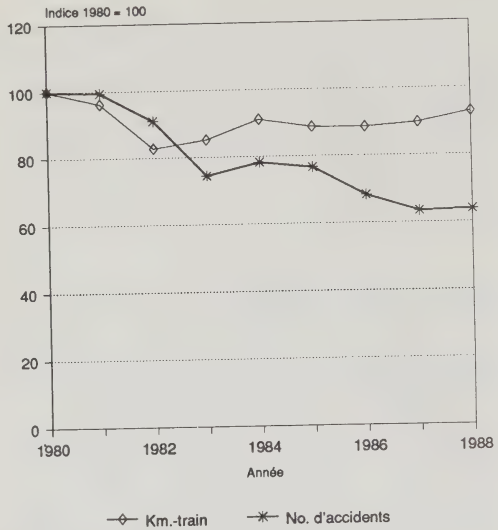
En 1988, le nombre de personnes employées par les services de transport ferroviaire a diminué de 3,4 p. cent par rapport à 1987 et ce, dans toutes les régions. Quant au secteur du transport par eau, la baisse de 3,4 p. cent du niveau d'emploi s'est concrétisée en Colombie-Britannique, au Québec et en Nouvelle-Écosse. Les variations constatées à ce chapitre proviennent du transport maritime intérieur et de transport de lignes maritimes internationales desservant le Canada. Cependant, cette tendance à la baisse n'est pas généralisée puisque l'augmentation des tonnages transitant par le port de Halifax a provoqué une pénurie de main-d'œuvre à cet endroit en fin d'année. Les variations enregistrées au chapitre du transport maritime international semblent avoir été causées par la poursuite des politiques de rationalisation du nombre d'agents et de

de 11 en 1987 à 17 en 1988 dans la région du Mackenzie et de l'Arctique occidental, mais que la cause est attribuable aux conditions climatiques et au gel. Le seul incident qui ait été rapporté au sujet d'un transporteur autorisé par l'Office concerne trois barges de carburant en vrac exploitées par la Northern Transportation Company Limited, qui ont dérivé après s'être détachées de leurs amarres.

Services de camionnage

Au moment de la rédaction de ce rapport, les statistiques sur la sécurité du camionnage n'étaient pas disponibles. Toutefois, en vertu des dispositions de la *Loi de 1987 sur les transports routiers*, le ministre des Transports doit préparer un rapport annuel sur les accidents de la route ainsi que sur l'application et l'exécution des règlements de sécurité.

GRAPHIQUE 8.1 : ACCIDENTS FERROVIAIRES PAR KM.-TRAIN



Source: Information des sociétés ferroviaires soumise à l'ONT.

Services aériens

Depuis 1983, la fréquence des accidents dans les services commerciaux de transport aérien est demeurée stable.

La sécurité des transports relève essentiellement de la *Loi sur l'aéronautique*, remaniée en profondeur en 1985 afin d'assurer le maintien de normes élevées de sécurité jusqu'au 21^{e} siècle.

Selon les statistiques préliminaires de 1988 du Bureau canadien de la sécurité aérienne (BCSA), le taux d'accidents impliquant des appareils canadiens a légèrement diminué : l'augmentation du nombre d'accidents a été inférieure à l'augmentation du nombre d'heures de vol. Le nombre d'accidents mortels et les décès imputables à ceux-ci a baissé en 1988. Les incidents aériens rapportés en vertu de la nouvelle structure de rapports obligatoires du BCSA ont sensiblement augmenté, mais le nombre d'incidents soumis à une enquête du BCSA (comprenant les pertes d'espacement) est demeuré le même qu'en 1987.

Le taux d'accidents d'appareils commerciaux n'a presque pas changé depuis 1983, nettement plus bas que celui enregistré pour les appareils privés. La plupart des accidents de transport commercial impliquent de petits exploitants de services d'affrètement, de transport à contrat ou de transport spécialisé. Avec quelques fluctuations d'une année à l'autre, le nombre d'accidents dans chaque région est demeuré relativement constant.

En 1988, deux accidents mineurs concernant des services réguliers ont eu lieu, comparativement à une moyenne d'un peu moins de deux par an au cours des cinq années antérieures. De fait, 1988 a été la cinquième année consécutive durant laquelle aucun accident mortel impliquant de grands avions à réaction canadiens n'a été signalé pour le transport de passagers enregistrés au Canada.

Services de transport par eau

À cause de conditions climatiques et d'un gel particulièrement rigoureux, une augmentation du nombre d'accidents de transport par eau a été observée dans la région du Mackenzie et de l'Arctique occidental. Mise à part cette exception, il n'y a pas eu de changement quant au nombre d'accidents du transport maritime.

La sécurité du transport par eau est régie par la *Loi sur la marine marchande du Canada* et, dans une moindre mesure, par la *Loi sur la prévention de la pollution des eaux arctiques* et la *Loi sur les marchandises dangereuses*. En vertu de la première loi, la garde côtière est chargée d'élaborer et de faire respecter la réglementation de la sécurité maritime pour les navires canadiens et étrangers naviguant dans les eaux canadiennes. Ni la *LNT*, ni la *LDCM* n'ont modifié en quoi que ce soit les dispositions relatives à la sécurité du transport maritime.

Les chiffres compilés par la direction des Enquêtes sur les accidents maritimes, de Transports Canada, démontrent que le nombre d'accidents est passé

LA SÉCURITÉ

Dans la *LNT*, le législateur rappelle l'importance primordiale qu'il attache à la sécurité de tous les modes de transport. Comme l'Office doit effectuer son examen en tenant compte de la Politique nationale des transports, il examine brièvement les résultats des divers modes de transport en matière de sécurité pour 1988.

Services ferroviaires

On a constaté une amélioration de la sécurité des transports ferroviaires.

Une partie importante de la législation relative à la sécurité des transports ferroviaires du Canada a été fondamentalement révisée et transférée de la *Loi sur les chemins de fer* à la *Loi sur la sécurité des chemins de fer*, proclamée le 1er janvier 1989.

Selon les données préliminaires de 1988 recueillies par l'Office, les déraillements ont diminué de 4,7 p. cent tandis que les collisions et les accidents de croisement ont augmenté de 2,5 et 7 p. cent respectivement. En incluant les déraillements et les collisions impliquant des trains et de l'équipement d'entretien des voies, le nombre total d'accidents ferroviaires a augmenté de 0,6 p. cent par rapport à 1987.

L'évolution du trafic ferroviaire est nécessaire afin de comparer, sur plusieurs années, le nombre d'accidents. À titre d'indicateur de la progression du trafic ferroviaire, le nombre total de kilomètres-trains parcourus sur les voies principales en 1988 était d'environ 3,5 p. cent supérieur à celui de 1987. En 1988, comme il y a eu 6,2 accidents de train par million de kilomètres-trains, cela représente une amélioration par rapport au chiffre de 6,4 enregistré en 1987. Selon l'évolution depuis 1980 du nombre d'accidents ferroviaires par kilomètre-train (graphique 8.1), le nombre total d'accidents ferroviaires est bien inférieur depuis quelques années à ce qu'il était au début de la décennie.

servant à tous les modes de transport, relèvent désormais de l'Office en matière de réglementation.

Consultations portant sur des règlements

En mai, des consultations ont été menées sur la réglementation éventuelle des prix de transport appliqués aux accompagnateurs de personnes handicapées et aux personnes handicapées ou obèses ayant besoin de places supplémentaires.

Des transporteurs, des groupes de sensibilisation du public, des associations œuvrant pour les personnes souffrant de handicaps physiques, visuels, auditifs ou mentaux, des ministères et organismes d'ordre fédéral, provincial et municipal, et bon nombre d'autres organisations ont ainsi exprimé leur position sur des questions telles que le transport gratuit des accompagnateurs, les places supplémentaires gratuites, l'autonomie, les employés désignés, la limitation du nombre de voyageurs handicapés autorisés sur un même vol et les certificats médicaux.

En juillet, des consultations ont débuté sur les modalités et les conditions proposées pour le transport intérieur par avion des voyageurs handicapés. Les parties consultées ont recommandé que la terminologie, ainsi que le niveau de détail de la proposition, soient modifiés et ont suggéré que certains points soient ajoutés au document de travail. Toutes les parties ont pris position en faveur de la réglementation de telles modalités et conditions de transport.

En novembre s'est tenu à Halifax le premier de quatre ateliers régionaux sur l'accessibilité des services de transport pour les aveugles et les malvoyants.

ENQUÊTE

Six cents questionnaires ont été expédiés aux organisations et aux associations représentant les personnes handicapées, aux transporteurs et à un échantillon de voyageurs handicapés. En tout, 130 d'entre eux ont été retournés.

L'enquête portait sur les points suivants : le service, les besoins spéciaux des voyageurs handicapés, la formation des employés traitant avec les voyageurs handicapés, les obstacles aux voyages et l'utilisation de modes de transport différents par les personnes handicapées.

Les résultats laissent croire que l'avion est le mode de transport « préféré » des voyageurs handicapés et l'autobus, celui qui leur cause le plus de problèmes. Les toilettes à bord de tous les véhicules de transport sont jugées de dimension et d'accès insatisfaisants. Les règles et les règlements régissant le transport de personnes handicapées ont également fait l'objet de critiques parce que leur application n'est pas toujours claire. En outre, les panneaux d'information ne sont pas toujours bien « en évidence ». Quant à la billetterie, l'enquête fait ressortir l'absence de documents en braille et de téléphones pour malentendants. Les brochures et les campagnes de publicité des services de transport évoquent rarement la situation des voyageurs handicapés.

Les résultats de l'enquête ont démontré que l'obstacle le plus important auquel font face les voyageurs handicapés est manifestement celui de « l'accessibilité physique » de l'équipement.

LES SERVICES DE TRANSPORT OFFERTS AUX PERSONNES HANDICAPÉES

FAITS SAILLANTS DE 1988

Nouvelle loi visant l'amélioration de l'accessibilité aux transports

En juillet, le projet de loi C-131 modifiant la *LNT* est entré en vigueur. En vertu des nouvelles dispositions, l'Office peut édicter des règlements visant à éliminer les obstacles majeurs au transport des personnes handicapées. Il peut établir, mettre en application et faire respecter des normes de conception, de construction ou de modification des installations, lieux et équipement de transport et autres. Il peut aussi édicter des règlements portant sur la signalisation, la formation du personnel, les modalités de transport des personnes handicapées et les moyens de diffusion de l'information.

L'Office peut faire enquête sur des plaintes relatives aux obstacles au transport, ordonner la prise de mesures correctives et le versement d'indemnités pour les dépenses engagées, et fixer des pénalités. L'Office a également le pouvoir de mener des enquêtes de son propre chef. Il s'agit d'un changement important pour l'Office qui, dans les autres domaines, ne peut agir que sur demande.

Ces modifications élargissent à tous les modes de transport de compétence fédérale les pouvoirs que possède déjà l'Office en matière de réglementation de l'accès aux lignes aériennes pour les personnes handicapées. VIA Rail, les services de transport par autocar Roadcruiser à Terre-Neuve, les traversiers de Marine Atlantique, les autres services de traversier subventionnés par le gouvernement fédéral, ainsi que les installations et les lieux

minerai de fer, les céréales et le charbon, n'ont pas été touchés par la réforme.

STRUCTURE DE L'INDUSTRIE

Woodlands Marine est demeurée la seule société de transport maritime de fret général.

De 1980 à 1988, cinq transporteurs maritimes au plus ont fait du transport de fret général sur les Grands Lacs. En outre, le nombre de transporteurs autorisés a diminué au cours des années, à mesure que les sociétés se sont retirées ou ont demandé et obtenu des exemptions aux dispositions de la *Loi sur les transports*. Woodlands Marine, une société canadienne utilisant un navire battant pavillon canadien, est depuis trois ans le seul transporteur en commun œuvrant dans le secteur du transport maritime du fret général.

ACTIVITÉS DE TRANSPORT MARITIME DE FRET GÉNÉRAL

Trafic, niveau de service et tarifs

Le tonnage, les services et les tarifs sont demeurés sensiblement les mêmes.

Le secteur du fret général est très petit puisqu'il représente moins d'un pour cent du fret total acheminé sur les Grands Lacs canadiens en 1987 et 1988.

Par rapport à 1987, les tonnages transportés par Woodlands Marine ont légèrement baissé en 1988. Ne constituant qu'un faible pourcentage du fret total de Woodlands, le transport vers le nord à partir de Windsor et à destination de la partie supérieure des Grands Lacs a en fait progressé en 1988. Les marchandises transportées étaient notamment des produits en conserve et des produits chimiques en sac, du fret général sur remorque ainsi que des caravanes de camping et d'autres types de véhicules. Par contre, sur la ligne principale vers le sud, les tonnages de Woodlands, composés surtout de bois et de produits forestiers acheminés entre Thunder Bay et la partie inférieure des Grands Lacs, ont légèrement diminué en 1988.

Quant aux niveaux de service, Woodlands a effectué 20 voyages en 1988 comparativement à 24 l'année précédente. Cette baisse est attribuable à l'arrivée tardive du seul navire exploité par la société après la prestation de services d'affrètement au Brésil.

Si Woodlands a réussi à augmenter les taux de fret qu'elle exige pour le transport de certains produits, l'adoption de contrats confidentiels par les sociétés ferroviaires l'a empêchée de hausser en 1988 les tarifs appliqués à la plupart des produits sur sa ligne principale. De fait, les taux de transport maritime des produits forestiers sont demeurés assez stables.

Situation financière du transporteur

Woodlands Marine a amélioré sa situation financière.

Après avoir connu quelques difficultés de démarrage en 1986, et même si elle n'est pas encore rentable, Woodlands a peu à peu amélioré sa situation financière; cette tendance s'est maintenue en 1988 malgré une légère baisse des tonnages transportés. Les revenus de la société ont continué de croître grâce à la diversité des marchandises transportées en 1988 ainsi qu'à ses autres activités maritimes.

LE TRANSPORT DE FRET GÉNÉRAL SUR LES GRANDS LACS

FAITS SAILLANTS DE 1988

Intensification de la concurrence par suite de contrats confidentiels avec les sociétés ferroviaires.

Bien qu'aucun événement majeur n'ait touché le transport par eau de fret général en 1988, l'introduction de la possibilité pour les sociétés ferroviaires de conclure des contrats confidentiels avec des expéditeurs a exercé de nouvelles pressions sur les tarifs appliqués par la Woodlands Marine pour le transport des produits forestiers. Durant la saison de transport sur les Grands Lacs, Woodlands fait concurrence au CN et au CP pour obtenir du fret, mais l'hiver, ses clients utilisent le rail.

RÉFORME DE LA RÉGLEMENTATION

L'abrogation de la Loi sur les transports *a aboli la nécessité d'obtenir un permis pour des services de fret général.*

À la suite de l'abrogation le 1er janvier 1988 de la *Loi sur les transports*, les transporteurs par eau offrant des services pour le transport de fret général, au moyen de bateaux de plus de 500 tonneaux bruts au registre entre les Grands Lacs canadiens et les ports du Saint-Laurent jusqu'à la pointe ouest de l'île d'Orléans, ne sont plus tenus d'obtenir un permis. Déjà exempts de la réglementation sous l'ancien régime, les transporteurs des Grands Lacs canadiens offrant des services pour le transport de fret général en provenance ou à destination des ports américains, les transporteurs œuvrant dans le trafic intérieur sur les côtes est et ouest du Canada ainsi que les transporteurs spécialisés dans l'acheminement sur les Grands Lacs de produits en vrac, tels le

ligne hydroélectrique de l'Athabasca en 1988 a été la cause directe de la hausse des tonnages transportés par l'AFCL, mais les travaux se sont achevés en 1988.

LA NOUVELLE LÉGISLATION

Les modifications apportées à la législation ont eu peu de retombées sur les services d'approvisionnement.

En 1988, les modifications apportées à la Loi n'ont pas eu d'incidence profonde sur la prestation des services d'approvisionnement par eau du Nord dans les réseaux du Mackenzie ou de l'Athabasca. Les transporteurs et les utilisateurs n'ont signalé aucun changement majeur dans leurs méthodes de travail depuis l'entrée en vigueur de la nouvelle loi.

Les utilisateurs des services de transport par barges dans le Nord n'ont constaté aucune différence notable au chapitre des niveaux de service. Les changements tarifaires sont attribués à la baisse des tonnages et à l'inflation. Pour ce qui est du réseau de l'Athabasca, les changements observés constatés dans les niveaux de trafic ont été la conséquence des projets en cours; sur le réseau du Mackenzie, ils ont découlé d'une part de l'inactivité du secteur des ressources et, d'autre part, du transfert continu des transports de fret destiné au Nord vers des services de transport autres que ceux offerts au moyen de barges, sur des voies autres que le fleuve Mackenzie.

Du point de vue des utilisateurs, il est trop tôt pour évaluer l'incidence de la réforme sur l'approvisionnement par eau du Nord puisque bon nombre d'utilisateurs ne connaissent pas encore les modifications législatives concernant les services d'approvisionnement par barges.

Perception des taux de fret

Pour les deux tiers des répondants, les taux de fret appliqués en 1988 pour le transport de marchandises générales et de carburant en vrac étaient raisonnables. Cette proportion est encore plus élevée parmi les utilisateurs du Mackenzie tandis que la majorité des utilisateurs de l'Athabasca soutiennent que les taux étaient excessifs. Quarante-et-un pour cent de tous les répondants signalent que les taux avaient augmenté par rapport à 1987, aussi bien pour le carburant en vrac que pour les marchandises générales.

Intensification de la concurrence

Les utilisateurs ont été invités à dire s'ils pensaient que la concurrence devrait être plus vive dans le secteur du transport par eau dans le Nord.

La plupart des utilisateurs du Mackenzie ont répondu à la négative à ce sujet, mentionnant l'insuffisance des tonnages, le niveau adéquat de la capacité actuelle des services, la réduction constante de la demande de services de transport par barges, les retombées négatives sur le niveau des services et des tarifs, et le degré de satisfaction à l'égard des services de la NTCL. Par contre, la perspective de taux plus compétitifs et de services améliorés, de même que la nécessité d'autoriser de petits exploitants à faire concurrence aux transporteurs actuels pour l'acheminement des marchandises d'approvisionnement, constituent pour certains des répondants des raisons suffisantes, mais non déterminantes, afin d'augmenter le nombre de transporteurs offrant un service d'approvisionnement pour le réseau.

En contrepartie, sur le réseau de l'Athabasca, la plupart des utilisateurs voient d'un œil favorable les perspectives d'intensification de la concurrence, car elles devraient se traduire par des taux plus compétitifs et plus bas. Ce point de vue a été beaucoup plus répandu que celui des répondants de la thèse contraire, soutenant que l'AFCL offre des services satisfaisants et que le niveau insuffisant et en diminution constante du trafic ne saurait justifier le recours à un nombre plus élevé de transporteurs.

Observations générales

Pour les utilisateurs du Mackenzie, les problèmes les plus préoccupants concernent les taux de fret appliqués aux expéditions consolidées, le maintien de la qualité du service, ou son amélioration s'il y a lieu, et l'intensification de la concurrence.

Quant aux utilisateurs de l'Athabasca, les principaux problèmes évoqués sont les suivants : l'arrivée de nouveaux transporteurs sur un marché en rétrécissement et les répercussions sur la qualité du service, le coût élevé du transport de marchandises par barges depuis quelques années, des services inadéquats de transport par barges pour certaines collectivités du réseau et la prise en considération d'autres options liées au transport. Les remarques suivantes ont aussi été mentionnées : nécessité de revoir ponctuellement les taux et la qualité du service, prestation de services d'affrètement pour certaines collectivités et visibilité accrue de l'Office dans la région pour assurer le respect des règlements relatifs au transport par barges.

PRINCIPAUX ÉVÉNEMENTS

L'ATL se retire des services d'approvisionnement des collectivités du réseau du Mackenzie.

L'événement le plus important en matière d'approvisionnement par eau dans le Nord a été le départ de la société ATL du réseau du fleuve Mackenzie au début de 1988. Divers facteurs ont empêché l'ATL d'augmenter son tonnage d'approvisionnement et d'obtenir une part du trafic de la défense nationale, l'obligeant à réévaluer ses activités de transport sur le fleuve et à concentrer ses efforts sur la prestation de services dans l'Arctique occidental pour les chantiers de pétrole et de gaz naturel. À la suite de cette décision, l'ATL a vendu son équipement du fleuve Mackenzie à la NTCL, confirmant ainsi son intention de ne pas revenir sur le fleuve dans un avenir rapproché.

L'inactivité qui a persisté dans le secteur des ressources du Nord a été le seul autre problème majeur de 1988. La viabilité des petits exploitants a toujours été fonction du trafic autre que celui de l'approvisionnement et avec la stagnation persistante de ce secteur, ces dernières ont été obligées de s'en remettre de plus en plus aux tonnages d'approvisionnement.

Pour la deuxième année consécutive, la continuation des travaux de construction de la

D'autres transporteurs, tels la CBSL, la CML et la Beluga Tours Ltd., se sont dit déçus de n'avoir pu obtenir, dans le cadre des dispositions transitoires de la partie V de la *LNT*, l'élargissement de leur droits d'exploitation de services d'approvisionnement.

Opinion des utilisateurs

Les expéditeurs sont généralement satisfaits des services offerts par les transporteurs, mais les utilisateurs du réseau de l'Athabasca sont mécontents des taux de fret.

Après la clôture de la saison de transport de 1988, l'Office a effectué une enquête auprès des expéditeurs des réseaux du Mackenzie et de l'Athabasca pour connaître leur avis sur la qualité et le niveau des services offerts en matière de transport d'approvisionnement par les transporteurs autorisés. Les répondants figurent parmi les principaux utilisateurs des services de transport par barges du Nord et regroupent notamment des collectivités, des bandes indiennes, les gouvernements fédéral et territoriaux, et des entreprises privées. Voici un résumé de leurs principales observations.

Niveau des services

Exprimant leur opinion au sujet des services d'approvisionnement offerts par les transporteurs autorisés en 1988, 78 p. cent des utilisateurs n'ont constaté aucune différence par rapport à 1987, 18 p. cent les ont jugés meilleurs et 5 p. cent, moins bons.

L'Office a aussi demandé aux utilisateurs du transport par eau du Nord d'évaluer les transporteurs selon plusieurs critères. Voici les résultats globaux de l'enquête ainsi que leur ventilation pour les réseaux du Mackenzie et de l'Athabasca (tableau 6.3).

Pour la majorité des répondants, les résultats globaux démontrent que tous les critères font l'objet d'une cote moyenne ou supérieure à la moyenne. En revanche, les utilisateurs de l'Athabasca n'ont donné la cote bonne ou très bonne qu'à la moitié des critères ayant fait l'objet d'une telle évaluation par les utilisateurs du Mackenzie, et ils ont exprimé leur vif mécontentement à l'égard des taux de fret. Quarante-quatre pour cent de tous les utilisateurs ont affirmé que les prix étaient le critère d'évaluation du service le plus important, suivi de la ponctualité et de la flexibilité du transporteur.

Tableau 6.3

Évaluation par les utilisateurs des services d'approvisionnement par eau dans le Nord

Critères	Résultats globaux (tous les utilisateurs)			Utilisateurs du Mackenzie seulement			Utilisateurs de l'Athabasca seulement		
	TB-B %	Mo %	Ma-TMa %	TB-B %	Mo %	Ma-TMa %	TB-B %	Mo %	Ma-TMa %
Fréquence	45	40	15	45	44	11	46	31	23
Horaire	37	42	21	44	40	16	23	46	31
Paiement des réclamations	48	31	21	36	30	14	34	33	33
Flexibilité	44	33	23	50	27	23	31	46	23
Ponctualité	36	37	27	40	36	24	30	38	32
Prix/tarif	35	35	30	40	44	16	23	15	62

TB – Très bon **B – Bon** **Mo – Moyen** **Ma – Mauvais** **TMa – Très mauvais**

La CBM a offert des services sur demande en 1988, surtout concentrés sur le transport vers Fort Chipewyan de cargaisons de pont pour les bandes indiennes Cree et de Fort Chipewyan. Sydney McKay a également transporté de petites quantités de bois, de fournitures scolaires et d'épicerie à Fort Chipewyan.

Tarifs

Seulement deux transporteurs ont demandé des augmentations tarifaires.

La NTCL a demandé une augmentation de son tarif du Mackenzie qui est entrée en vigueur en 1988.

L'étude des taux de base de la NTCL pour le transport de biens personnels, de véhicules légers et de marchandises générales à partir de son terminal central de Hay River jusqu'aux principales destinations de Norman Wells, de Tuktoyaktuk, de Cambridge Bay et de Spence Bay révèle que la hausse tarifaire s'est établie en moyenne à 3 p. cent en 1988. En comparaison, l'indice des prix à la consommation des services a augmenté de 2,4 p. cent à Yellowknife de 1987 à 1988.

En 1988, l'AFCL a également demandé une majoration de ses tarifs de transport de carburant en vrac pour le début de la saison de 1988. Les taux de base pour les services offerts à partir de Fort McKay ont augmenté de 10 p. cent vers Stony Rapids, de 11 p. cent vers Fond du Lac et de 16 p. cent vers Fort Chipewyan. En comparaison, l'indice des prix à la consommation des services a augmenté de 2,8 p. cent en Alberta et de 3,6 p. cent en Saskatchewan de 1987 à 1988.

Situation financière des transporteurs

La plupart des transporteurs d'approvisionnement des collectivités sont demeurés solvables.

À la suite de discussions menées avec les transporteurs à la fin de la saison de navigation, il est possible de conclure que la plupart des transporteurs d'approvisionnement du Nord ont réussi à demeurer solvables.

Dans le réseau du Mackenzie, la CBSL et la CML sont protégées, dans une certaine mesure, contre les fluctuations des activités de transport par barges dans le Nord car elles sont affiliées à d'autres sociétés. En revanche, la viabilité de la NTCL a été liée aux revenus de base que lui ont procuré les services d'approvisionnement des collectivités, auxquels se sont ajoutés les revenus du transport de marchandises effectué en 1988 pour le secteur des ressources. La Beluga Tours Ltd. a également réussi à terminer la saison de 1988 avec un bilan financier positif.

Dans le réseau de l'Athabasca, l'AFCL a connu une autre année fructueuse, grâce aux revenus importants engendrés par le transport de fret pour la ligne hydroélectrique de la SPC. Quant à la CBM, elle a terminé l'année 1988 avec un déficit au chapitre de ses services d'approvisionnement du Nord.

Réactions à la nouvelle législation

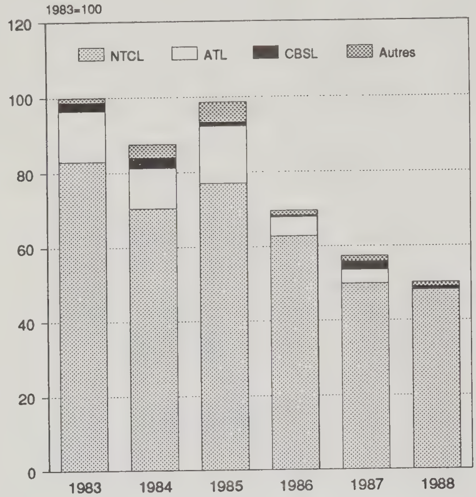
Les transporteurs sont généralement satisfaits de la nouvelle législation.

Dans l'ensemble, les discussions avec les transporteurs autorisés ayant travaillé en 1988 dans les réseaux du Mackenzie et de l'Athabasca démontrent qu'ils sont satisfaits de la nouvelle législation. Les transporteurs sont unanimes à approuver la rationalisation de la procédure de délivrance de permis et la diminution des obligations administratives.

Bon nombre de transporteurs autorisés n'ont pas hésité à louer les mérites du système de permis à durée indéterminée plutôt qu'annuelle; ce système leur facilite le financement pour la location ou l'achat de matériel de transport, et leur permet de garantir des services de remorqueurs et de barges de façon continue ainsi que de négocier des contrats de services d'une durée supérieure à un an.

La NTCL a affirmé qu'il était trop tôt pour évaluer l'incidence de la nouvelle loi et a réitéré son mécontentement face à la décision du gouvernement d'exclure le trafic de la défense nationale de la définition des biens d'approvisionnement du Nord.

GRAPHIQUE 6.5: TONNAGES INDEXÉS TRANSPORTÉS DANS LA RÉGION DU MACKENZIE ET L'OUEST DE L'ARCTIQUE



Source: Rapports annuels des transporteurs commerciaux par eau.

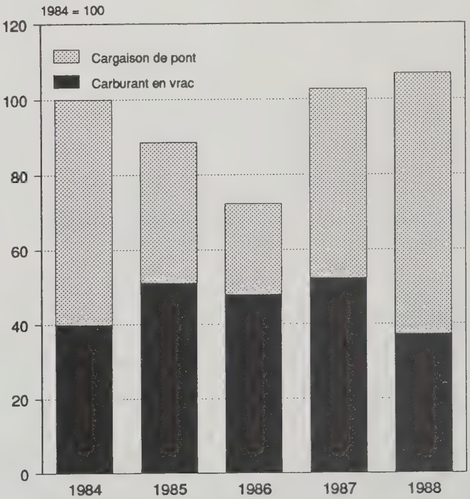
collectivités. En 1988, cette catégorie de cargaisons a représenté 50 p. cent du tonnage total de la CBSL, mais les deux autres sociétés œuvrant sur le réseau, la Beluga Tours Ltd. et la CML, ont presque exclusivement travaillé comme fréteurs pour le transport de l'équipement de l'industrie des ressources.

En 1988, près de 93 p. cent des cargaisons d'approvisionnement transportées par la NTCL provenaient de Hay River et de Norman Wells. La majeure partie du tonnage acheminé à partir de ces deux collectivités était composée de carburant en vrac. Les principales destinations ont été Inuvik (28 p. cent du tonnage total), Yellowknife (26 p. cent), Norman Wells (9 p. cent), Cambridge Bay (7 p. cent) et Tuktoyaktuk (6 p. cent). Le transport de fret destinés à l'industrie des ressources a progressivement diminué ces dernières années, mais le transport d'approvisionnement des collectivités est demeuré assez stable et constitue encore la principale source d'activité du premier transporteur du réseau.

Voici l'évolution du transport de carburant en vrac et de cargaisons de pont de 1984 à 1988 ainsi que du tonnage total de l'AFCL dans le réseau de l'Athabasca (graphique 6.6).

Bien que les marchandises transportées pour la construction de la ligne hydroélectrique de la SPC en 1988 aient eu comme conséquence de réduire la part relative des marchandises d'approvisionnement régulier transportées par l'AFCL, celles-ci représentaient encore 55 p. cent du tonnage total de cette société. Malgré une deuxième année consécutive d'augmentation des tonnages, l'achèvement de la ligne hydroélectrique rendra encore une fois l'AFCL presque totalement tributaire des services réguliers d'approvisionnement du Nord. D'autre part, l'achèvement du projet réduira sensiblement les besoins en carburant en vrac durant les prochaines années des collectivités de l'Athabasca en Saskatchewan, provoquant ainsi une nouvelle baisse des cargaisons d'approvisionnement confiées à l'AFCL.

GRAPHIQUE 6.6: TONNAGES INDEXÉS TRANSPORTÉS PAR L'AFCL DANS LE RÉSEAU DE L'ATHABASCA



Source: Rapports annuels des transporteurs commerciaux par eau.

Pine Creek Marine, un transporteur autorisé ayant obtenu un permis en 1987 et qui a déclaré faillite vers la fin de la saison. Sidney McKay, qui avait également obtenu un permis d'exploitation du réseau en 1987, en a été dispensé en 1988 à cause de la capacité de son équipement, exploité uniquement de façon occasionnelle durant l'année.

ACTIVITÉS DE TRANSPORT PAR EAU DANS LE NORD

Secteurs d'activité et niveau des services

Aucun changement important n'est intervenu quant au nombre de collectivités desservies et à la capacité disponible des réseaux du Mackenzie et de l'Athabasca.

Entre 1987 et 1988, ni le nombre de collectivités desservies par des transporteurs autorisés, ni la capacité de transport disponible du réseau du Mackenzie n'ont changé de façon importante. La NTCL a continué d'offrir des services dans toutes les grandes collectivités qu'elle approvisionnait en 1987 avec des bateaux totalisant 72 246 tonneaux au registre. Avec un permis portant sur 933 tonneaux au registre total, la CBSL a continué d'offrir le peu de services encore requis en matière d'approvisionnement par eau sur les rivières aux Liards et Fort Nelson, et a également offert des services sur demande et d'affrètement entre Fort Simpson et Norman Wells. Avec 215 tonneaux au registre, Beluga Tours Ltd. a desservi la région environnante de Norman Wells. En 1987 et 1988, la CML, avec 234 tonneaux au registre total, a offert un service d'affrètement entre Inuvik et Tuktoyaktuk.

Le nombre de dessertes effectuées par la NTCL dans les diverses collectivités du Nord approvisionnées en 1988 était comparable à 1987 puisque les tonnages d'approvisionnement, dont la presque totalité est transportée par la NTCL, sont demeurés assez stables. La Beluga Tours Ltd. a également maintenu le même niveau de service de 1987 à 1988 en continuant de faire de l'affrètement pour la société Esso à Norman Wells. En raison du carénage de son remorqueur en 1988, la CML n'a commencé ses activités qu'au mois d'août, ce qui a considérablement réduit le nombre de voyages effectués entre Inuvik et Tuktoyaktuk. Le niveau des services offerts par la CBSL a augmenté en 1988 à la suite d'un contrat conclu avec Chevron Oil.

Dans le réseau de l'Athabasca, en 1987 et 1988, l'AFCL a exploité à partir de Fort McKay une flotte totalisant 2 761 tonneaux au registre pour desservir les collectivités de Fort Chipewyan, Fort Fitzgerald, Camsell Portage, Uranium City, Fond du Lac et Stony Rapids. Exploitant une barge autopropulsée totalisant 240 tonneaux au registre total en 1987 et en 1988, la CBM était également propriétaire d'un permis lui permettant de desservir les mêmes collectivités les deux années, à l'exception de Fort Fitzgerald et Uranium City; cependant, des restrictions en matière d'assurance l'ont empêchée de faire des voyages à Fond du Lac et à Stony Rapids en 1988. Sidney McKay a exploité au cours des deux dernières années un seul bateau en service sur demande entre Fort McKay et Fort Chipewyan.

Le nombre de dessertes effectuées par l'AFCL est passé de 14 en 1987 à 11 en 1988 en raison de l'achèvement progressif des travaux sur la ligne hydroélectrique de la SPC. De plus, à sa première année complète, des pannes constantes d'équipement ont entraîné une réduction du nombre de voyages prévus par la CBM en 1988.

Trafic

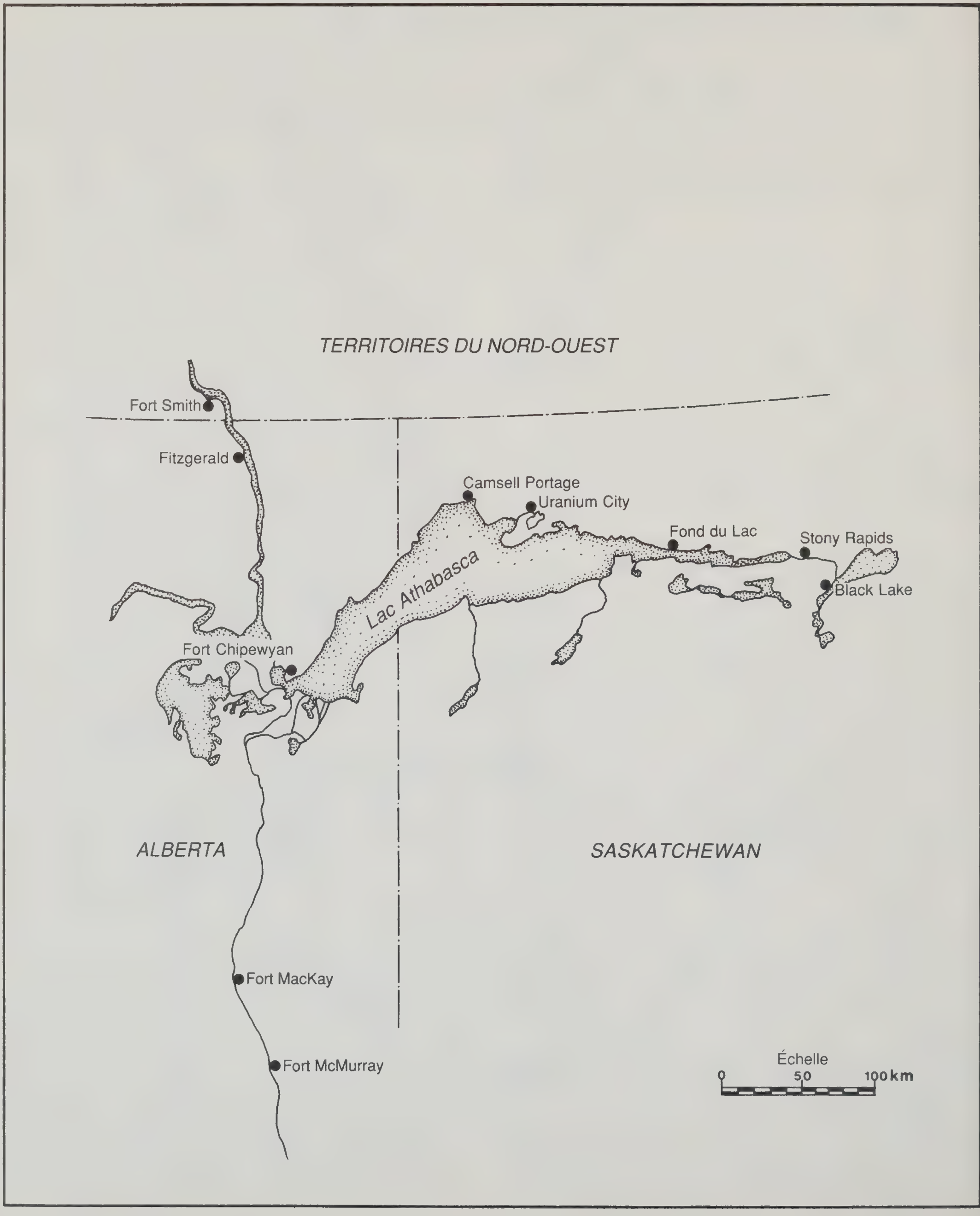
Le tonnage transporté a diminué dans le réseau du Mackenzie et augmenté dans celui de l'Athabasca.

Le tonnage total transporté par les sociétés autorisées dans le réseau du Mackenzie a diminué de 12 p. cent en 1988. Voici l'évolution du tonnage des marchandises transportées dans le réseau au cours des six dernières années (graphique 6.5).

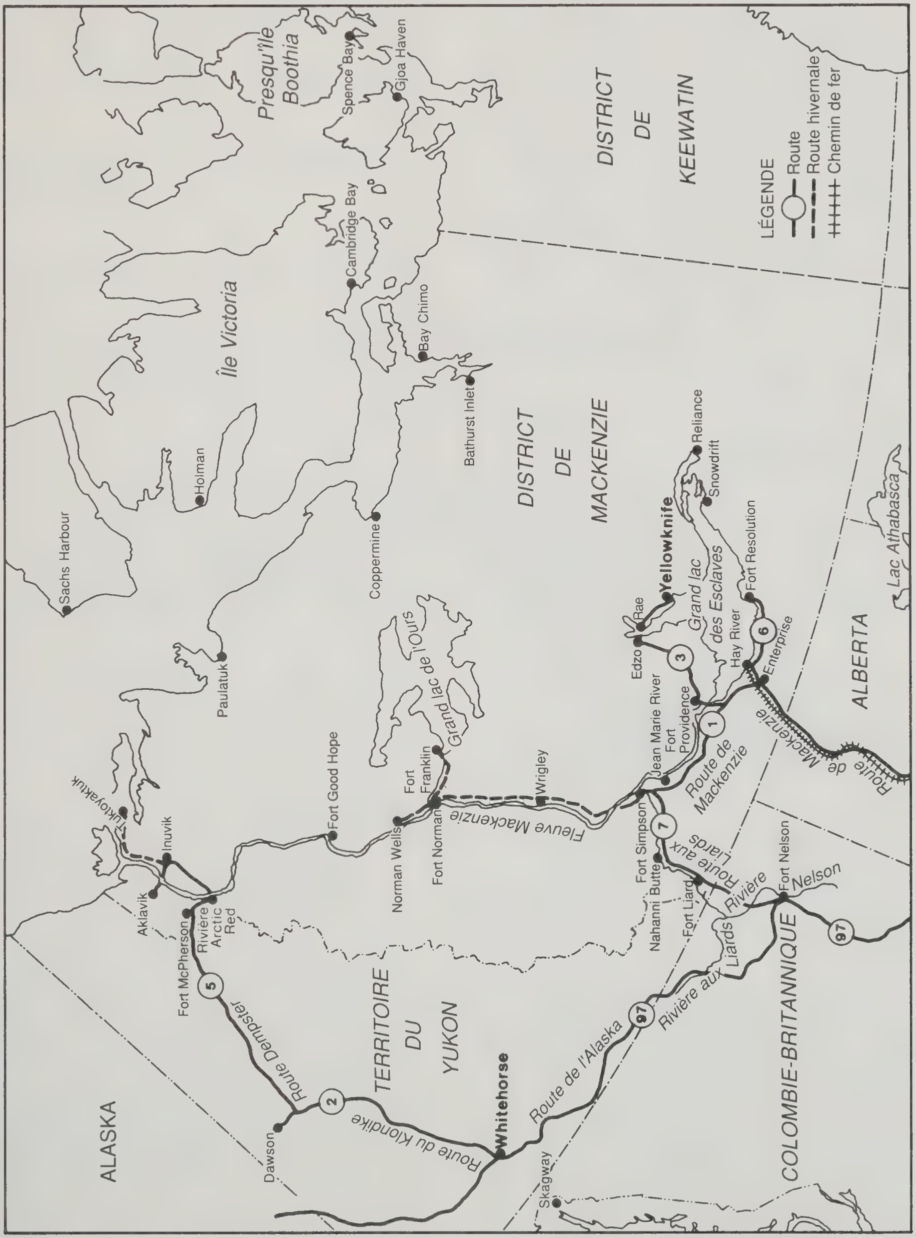
Le fret transporté a diminué constamment depuis 1983, sauf en 1985 alors que les transporteurs par eau ont bénéficié d'une légère relance du transport de fret à cause des activités liées aux chantiers de pétrole et de gaz naturel de la mer de Beaufort.

En 1988, les cargaisons d'approvisionnement des collectivités ont représenté 80 p. cent du tonnage total transporté par toutes les sociétés. La NTCL était encore largement en tête à ce chapitre puisque 83 p. cent de son tonnage total de 1988 était destiné à l'approvisionnement des

GRAPHIQUE 6.4
RÉGION DU LAC ATHABASCA



GRAPHIQUE 6.3
RÉGION DU FLEUVE MACKENZIE ET DE L'ARTIQUE OCCIDENTAL



RÉFORME DE LA RÉGLEMENTATION

Les principaux changements introduits comprennent l'abrogation de la Loi sur les transports, *la rationalisation des procédures de délivrance de permis et l'assouplissement des exigences de dépôt des tarifs.*

Conscient de son obligation de veiller à ce que les collectivités éloignées du Nord obtiennent à un coût raisonnable les services de transport par eau nécessaires à leur survie économique, le gouvernement fédéral a réglementé jusqu'en 1987 les transports de passagers et de marchandises dans le Nord par l'entremise de la Commission canadienne des transports (CCT), en vertu de la *Loi sur les transports*. Après l'entrée en vigueur de la *Loi nationale de 1987 sur les transports (LNT)* et l'abrogation subséquente de la *Loi sur les transports*, ce régime de réglementation a été profondément remanié en 1988.

L'un des aspects particulièrement importants de cette réforme concerne la déréglementation du transport par eau des marchandises destinées à la défense nationale ou à l'exploration et à l'exploitation des richesses non renouvelables du Nord. Toutefois, la *LNT* impose des conditions aux permis des transporteurs par eau assurant des services d'approvisionnement des collectivités dans les régions du fleuve Mackenzie et de l'Arctique occidental, d'une part, et de l'Athabasca, d'autre part (graphiques 6.3 et 6.4). En vertu de la *Loi sur les transports*, la CCT réglementait le transport de passagers et de marchandises dans les deux régions. Le transport de carburant en vrac dans l'Arctique occidental, qui n'était pas réglementé sous l'ancien système, fait désormais partie de la définition des marchandises d'approvisionnement du Nord et est donc assujetti à la réglementation.

En outre, la Loi permet de protéger, sur demande, les droits acquis des transporteurs qui avaient offert des services d'approvisionnement dans les deux régions lors des cinq années précédant l'adoption de la nouvelle loi.

La nouvelle loi a aussi prévu la rationalisation de la procédure de délivrance des permis. Elle autorise la délivrance de permis d'approvisionnement du Nord pour une période indéterminée au lieu d'une période d'un an, comme c'était le cas sous l'ancienne loi sur les transports, et accorde le permis en fonction de la capacité de transport totale du candidat plutôt que sur chaque bateau utilisé.

Les modifications apportées aux dispositions relatives aux tarifs obligent les transporteurs à déposer auprès de l'Office les tarifs réellement exigés et de les publier dans les collectivités desservies. Auparavant, un tarif de base maximum était soumis à l'approbation de l'organisme de réglementation.

STRUCTURE DE L'INDUSTRIE

La structure des réseaux d'approvisionnement du Mackenzie et de l'Athabasca est demeurée stable.

Bien que la réglementation touchant les services d'approvisionnement par eau dans le Nord ait été profondément remaniée, la structure de l'industrie n'a pas connu de changements notables de 1987 à 1988.

En 1988, l'Office a délivré des permis à trois transporteurs - la Northern Transportation Company Limited (NTCL), la Cooper Barging Service Ltd. (CBSL) et la Coastal Marine Ltd. (CML) - pour la prestation de services d'approvisionnement dans le réseau du Mackenzie. En 1987, ces trois transporteurs avaient aussi obtenu un permis ainsi que l'Arctic Transportation Ltd (ATL) et Len Cardinal Transport. La société Beluga Tours Ltd. offrait également des services en vertu d'une autorisation d'exploitation temporaire. L'ATL n'a pas demandé de permis pour la saison de 1988, mais elle a poursuivi l'exploitation des services liés à la mise en valeur du pétrole et du gaz naturel de la mer de Beaufort.

Dominant depuis longtemps le transport dans le réseau du Mackenzie, la NTCL a renforcé sa position en 1988 quand la société ATL s'est retirée de ce secteur d'activité et lui a vendu son équipement fluvial.

Dans le réseau de l'Athabasca, l'Office a délivré en 1988 deux permis, un à la société A. Frame Contracting Ltd. (AFCL) et l'autre à la Cree Band Marine Ltd. (CBM). Principal transporteur du réseau, l'AFCL avait offert des services de transport en 1987. En utilisant sa barge autopropulsée, la CBM a repris les services de

L'APPROVISIONNEMENT PAR EAU DANS LE NORD

FAITS SAILLANTS DE 1988

Retrait de l'Arctic Transportation Ltd. (ATL)

L'événement marquant de l'année a été le retrait de l'ATL des services d'approvisionnement des collectivités du réseau du Mackenzie et la cession de son équipement fluvial à la Northern Transportation Company Limited (NTCL), le principal transporteur du réseau. Avant l'ouverture de la saison 1988, l'ATL avait informé l'Office de son intention de ne pas renouveler son permis d'approvisionnement des collectivités du Nord. Cet événement a eu pour conséquence de renforcer la domination exercée par la NTCL sur le réseau.

Achèvement de la ligne hydroélectrique de la Saskatchewan Power Corporation (SPC)

L'achèvement de la nouvelle ligne hydroélectrique de la Saskatchewan Power Corporation (SPC) le long de la rive nord du lac Athabasca a été le fait saillant du réseau de l'Athabasca. Cela devrait ramener la tendance de 1983 à 1986 à la baisse dans les volumes de marchandises transportées sur le réseau, notamment le volume de carburant en vrac expédié.

Situation précaire de Cree Band Marine

La Cree Band Marine (CBM) a connu en 1988 un certain nombre de problèmes qui l'ont empêchée d'assurer un service régulier de transport sur barges.

INCIDENCE DE LA *LDCM*

En 1988, les données disponibles permettent de penser que la *LDCM* a eu peu d'incidence sur le trafic canadien international de ligne. Les changements observés par rapport à 1987 au chapitre de la structure de l'industrie, des niveaux de trafic, des niveaux de service et des taux de fret sont davantage imputables au jeu des forces du marché sur les différentes routes commerciales, aux politiques des conférences maritimes, à la poursuite des mesures de rationalisation des services maritimes et aux décisions prises à l'étranger sur le transport maritime de ligne.

Peu de contrats d'exclusivité limitée ont été déposés en 1988. Le mécanisme des mesures distinctes a été plus utilisé, mais son incidence est demeurée négligeable sur une seule route commerciale. De fait, des mesures distinctes ont parfois été prises afin de relever des tarifs plutôt que de les réduire. En définitive, la *LDCM* a fait disparaître les contrats d'exclusivité du transport maritime canadien de ligne.

L'enquête menée auprès des expéditeurs canadiens, des transitaires internationaux et des conférences desservant le Canada confirme que la *LDCM* n'a eu que des effets négligeables sur leurs activités respectives, et que ses dispositions sont encore généralement méconnues.

qu'une répercussion marginale sur leurs activités en 1988.

Afin de planifier le transport des marchandises importées et exportées de leurs clients, la plupart des transitaires font appel sans distinction à des lignes membres et non membres de conférences. Quant à l'importance relative des facteurs pris en considération pour choisir un transporteur maritime, une forte majorité a affirmé que le facteur le plus important était le prix du service, suivi de la fréquence des départs offerts par la ligne.

Au sujet du recours aux mesures distinctes, environ 25 p. cent des transitaires disent avoir acheminé très souvent des importations et des exportations sous des tarifs de mesures distinctes tandis que la moitié d'entre eux n'ont pas du tout utilisé cette forme de tarification en 1988. L'opinion des transitaires est partagée quant aux effets de la clause de mesures distinctes sur le réseau de transport par conférence : 14 p. cent pensent qu'elle a affaibli le réseau et 14 p. cent, qu'elle le renforce. Les autres répondants sont d'avis qu'elle n'a eu aucune retombée, qu'ils l'ignorent ou qu'il est trop tôt pour une évaluation.

Le dernier élément des mesures distinctes concerne le préavis de 15 jours que les lignes membres des conférences sont tenues de donner à celles-ci. L'enquête démontre que 50 p. cent des transitaires trouvent la période de préavis trop longue tandis que 50 p. cent la considère satisfaisante.

Parmi les divers mécanismes de tarification mis à la disposition des transitaires, ce sont les contrats d'exclusivité limitée et les contrats d'exclusivité qui ont obtenu le moins de faveur. Cependant, 80 p. cent des transitaires ont affirmé n'avoir jamais demandé aux conférences de négocier des contrats d'exclusivité limitée.

Dans l'ensemble, les transitaires n'ont formulé aucune plainte ni exprimé aucune préoccupation majeure au sujet de l'application de la *LDCM.* Toutefois, certains commentaires recueillis ont laissé poindre une certaine insatisfaction à l'égard des conférences, à savoir qu'elles ont parfois tendance à être insensibles aux besoins des expéditeurs surtout lorsqu'il s'agit d'autoriser les lignes membres à offrir des mesures distinctes.

Opinion des conférences

Les conférences déclarent que la LDCM *a eu une incidence négligeable sur leurs activités.*

En 1987 et 1988, 75 p. cent de toutes les conférences desservant le Canada ont rempli le questionnaire de l'Office. Deux conférences ont indiqué en 1987 que l'ampleur de leurs opérations ne justifiait pas le renvoi du questionnaire, imitées par trois autres en 1988, et six autres sections d'une conférence ont retourné conjointement des questionnaires.

Dix conférences ont abordé la question des mesures distinctes, cinq d'entre elles exprimant le vœu qu'elles soient abrogées et cinq autres souhaitant que la période actuelle de préavis de 15 jours soit allongée. Quant à l'incidence des mesures distinctes sur les tarifs en 1988, trois conférences seulement ont soutenu qu'elles ont fait baisser les tarifs, deux autres affirmant qu'elles n'ont eu aucun effet.

Par ailleurs, 10 répondants ont déclaré que les contrats d'exclusivité posent un problème et recommandent le retour aux dispositions de la *LDCM de 1979*. Selon les conférences, le contrôle de l'application du respect des exigences minimales des contrats d'exclusivité est chose impossible si l'expéditeur ne leur réserve pas la totalité de ses marchandises.

Neuf conférences disent avoir relevé leurs tarifs en 1988, notamment en raison des frais d'exploitation, des dépenses d'investissement des lignes et de l'augmentation des frais divers.

Quant aux contrats d'exclusivité limitée, 11 conférences ont recommandé le *statu quo* des dispositions actuelles et neuf n'ont fourni aucune réponse.

Une conférence a estimé que la *LDCM* a eu une incidence positive sur la façon dont opère l'industrie, quatre ont parlé d'une incidence négative et 15 autres, d'aucune incidence.

Tableau 6.2

Évaluation de la *LDCM* par les expéditeurs

	Effet bénéfique (%)	Aucun effet (%)	Effet négatif (%)
LDCM en général	29	63	8
Contrats d'exclusivité limitée	21	74	5
Mesures distinctes	32	65	3
Plus d'un seul groupe d'expéditeurs désigné	13	85	2
Contrats d'exclusivité (réservation de moins de 100 % du volume)	18	79	3
Exigence de préavis de surprime	27	63	10
Règlement des différends	7	90	3

dans au moins 50 p. cent des cas, ont réussi à persuader un transporteur de conférence de déposer une mesure distincte.

Pour ce qui est des contrats d'exclusivité limitée, seulement 4 p. cent des répondants ont dit avoir utilisé ce nouveau mécanisme de prix de la *LDCM*. L'usage rapporté de cette disposition de la Loi s'explique soit par le fait que les expéditeurs confondent les contrats d'exclusivité limitée et les contrats d'exclusivité ou par l'inclusion des contrats américains d'exclusivité limitée dans leurs réponses.

Exprimant leur opinion au sujet des services offerts par les lignes membres et non membres en 1988, les répondants accordent une meilleure cote aux lignes non membres quant aux questions de prix/tarif, mais préfèrent les lignes membres quant à la fréquence des services, à la capacité disponible, au temps de transit et à la qualité globale du service.

Environ 10 p. cent des expéditeurs ayant répondu à la section maritime de l'enquête ont livré des commentaires personnels sur la législation. La majorité de leurs remarques touchent aux difficultés rencontrées pour négocier des contrats d'exclusivité limitée, des tarifs de mesures distinctes et des taux de fret maritime généraux avec les lignes membres de conférences.

Opinion des transitaires

La LDCM *a eu peu d'incidence sur les activités des transitaires.*

En plus de l'enquête effectuée auprès des expéditeurs et des conférences maritimes, l'Office a aussi interviewé des transitaires internationaux afin de connaître leur avis sur l'incidence de la *LDCM* sur leurs activités en 1987 et 1988.

Les résultats démontrent que les transitaires connaissent relativement mieux la *LDCM* que les expéditeurs. Près de la moitié des répondants ont déclaré être généralement bien au courant de ses dispositions. Quant à son incidence, un peu moins des deux tiers mentionnent que la *LDCM* n'a eu

l'ANERA pour le compte de clients canadiens révèle que les taux appliqués ont généralement baissé durant cette période, surtout en raison des mesures tarifaires. La plupart des lignes se fondent généralement sur les mesures distinctes prises par les autres : si les expéditeurs ont la possibilité d'obtenir des réductions allant de 10 à 30 p. cent sur le transport de ces produits, la plupart des lignes établissent des tarifs semblables pour chacun des produits. Afin de tenir compte des mesures distinctes prises par les lignes individuelles, la restructuration tarifaire de la conférence en 1988 témoigne du constant recours aux mesures distinctes par les membres de l'ANERA.

S'il est vrai que l'intégration obligatoire de la clause des mesures distinctes dans les accords de conférences déposés en vertu de la *LDCM* a très peu contribué à la baisse des taux de fret sur les importations en provenance de l'Extrême-Orient, il semble néanmoins que d'autres facteurs aient joué un rôle clé dans l'établissement des tarifs de conférences sur cette route en 1988, notamment les mouvements observés au chapitre des flux commerciaux et le déséquilibre entre la demande des expéditeurs et la capacité d'emport disponible.

Contrats d'exclusivité

Les contrats d'exclusivité sont disparus en 1988.

Dans l'ancienne loi sur les conférences maritimes, les contrats d'exclusivité, alors appelés contrats de clientèle, donnaient aux expéditeurs et aux importateurs canadiens la possibilité d'obtenir un rabais d'au plus 15 p. cent par rapport au taux de fret de base de la conférence et ce, en échange de l'engagement formel de réserver la totalité de leur trafic de marchandises à la conférence.

Depuis 1980, de moins en moins de contrats d'exclusivité sont signés par les conférences desservant le Canada. Cette tendance s'est accentuée avec l'adoption de la *Shipping Act of 1984* aux États-Unis, qui légitimait l'utilisation des contrats d'exclusivité limitée et autorisait les conférences participant au trafic américain de ligne à adopter des mesures distinctes. Seulement 10 des 41 conférences desservant le Canada en 1984 utilisaient alors des contrats d'exclusivité; en 1987, elles n'étaient plus que trois. En abolissant le droit pour une conférence d'exiger le transport de la totalité des marchandises, la *LDCM* a contraint les dernières conférences qui utilisaient ce mécanisme à le rejeter complètement. Récemment encore, la grande majorité des marchandises canadiennes dans le trafic de ligne acheminées par les conférences desservant la route reliant l'Est canadien au Royaume-Uni et à l'Europe continentale l'étaient en vertu de contrats d'exclusivité. Cependant, au 1er janvier 1988, ces mêmes conférences avaient cessé d'utiliser ce type de contrats.

Les modifications apportées aux contrats d'exclusivité par la *LDCM*, tout comme l'acceptation par cette loi de l'utilisation des contrats d'exclusivité limitée et des mesures distinctes par les conférences desservant le Canada semblent avoir accéléré la disparition de ce type de contrats.

Opinion des expéditeurs

La plupart des expéditeurs n'ont pas constaté d'incidence notable de la LDCM *sur leurs activités.*

En 1988, les résultats de l'enquête menée auprès des expéditeurs ont démontré que près des deux tiers de tous les expéditeurs et importateurs n'avaient qu'une connaissance très vague de la *LDCM*, seulement 7 p. cent affirmant bien en connaître les dispositions. La ventilation des résultats démontre que les grands expéditeurs, ainsi que les expéditeurs ou les importateurs planifiant le transport de leurs marchandises avec les transporteurs maritimes sans intermédiaire, sont mieux placés pour connaître la *LDCM* que les petits expéditeurs.

Les expéditeurs et les importateurs ont évalué l'effet des nouvelles dispositions législatives ainsi que l'incidence globale de la Loi. Le tableau 6.2 regroupe les réponses de ceux qui connaissaient bien la Loi.

Quant aux mesures distinctes, seulement 15 p. cent des expéditeurs et des importateurs interviewés ont mentionné l'utilisation de tarifs de mesures distinctes pour le transport de leurs marchandises. En tout, 41 expéditeurs ont demandé à des transporteurs de conférences de prendre des mesures distinctes et 27 d'entre eux,

Plusieurs exportations canadiennes, comme le papier journal, la pâte à papier et les autres produits forestiers, bien qu'elles soient plus susceptibles d'être acheminées dans le cadre de tels contrats, sont transportées sur des navires affrétés par l'exportateur ou sur des lignes non membres spécialisées dans ce type de transport et, ainsi, n'utilisent pas les services des conférences.

Les tendances observées en 1988 dans le trafic canadien de ligne ne favorisaient pas l'utilisation généralisée des contrats d'exclusivité limitée. Bien que ces contrats aient été reçus favorablement par les expéditeurs canadiens de marchandises destinées à l'Extrême-Orient, et par ceux échangeant avec le Royaume-Uni et l'Europe continentale, la hausse inexorable des tarifs sur ces routes en 1988 a peu incité les conférences à négocier des contrats à long terme ne leur permettant pas de maximiser leurs revenus. En contrepartie, à la suite du fléchissement de la demande et de la capacité excédentaire qui en a résulté pour les transporteurs, les importateurs canadiens recevant des marchandises d'Extrême-Orient n'avaient pas avantage à signer des contrats d'exclusivité limitée puisque les taux de fret à l'importation étaient à la baisse.

Toute proportion gardée, en raison du nombre restreint de gros expéditeurs au Canada, il est peu probable que les contrats d'exclusivité limitée puissent occuper dans le commerce canadien une place aussi importante que celle qu'elle occupe dans le commerce américain. Cependant, rien ne laisse présager qu'ils ne seront pas utilisés plus fréquemment.

Mesures distinctes

Sept conférences seulement ont pris des mesures distinctes.

Les mesures distinctes ne sont pas une nouveauté sur la scène du transport maritime international canadien puisque bon nombre de conférences desservant le Canada avaient inclus dans leurs accords le droit pour leurs membres d'adopter de telles mesures et ce, avant même l'entrée en vigueur de la *LDCM*.

Les tarifs de conférences déposés auprès de l'Office révèlent que les lignes membres de sept conférences, sur un total de 32, ont appliqué des mesures distinctes en 1988, contre cinq en 1987. Les sept conférences dont il s'agit sont les suivantes : l'ANERA, la TWRA, la JEC, la JWC, la Canadian Group Agreement, la 8900 Agreement et la Canada-U.K. Freight Conference.

Sur ces sept conférences, deux d'entre elles ont utilisé constamment cette option tarifaire, trois autres ont pris 50 mesures ou moins et deux conférences, très rarement, 10 mesures ou moins. Quant aux deux conférences ayant eu recours constamment à cette option, l'enquête a révélé qu'une proportion importante de leurs tonnages canadiens de 1987 et 1988 avaient été ainsi acheminés.

Chez la plupart des conférences, l'information disponible démontre que l'adoption d'une mesure tarifaire distincte par une ligne membre génère rapidement un effet d'entraînement auprès des autres lignes membres. Par ailleurs, toujours selon l'information disponible, les mesures distinctes prises ont porté sur un vaste éventail de produits. En 1988, les rabais consentis se sont situés entre 15 et 45 p. cent, le pourcentage variant selon la conférence, la ligne de la conférence, le produit, les conditions de transport et l'itinéraire.

À première vue, le mécanisme des mesures distinctes de la *LDCM* semble avoir eu une forte répercussion sur les activités de la TWRA puisque ses membres y ont souvent eu recours en 1988, en particulier pour le transport des principaux produits acheminés du Canada vers l'Extrême-Orient. Toutefois, le nombre total de mesures distinctes déposées par cette conférence en 1988 a diminué par rapport à 1987, soit 1 604 contre 2 258, et n'étaient en majorité que le prolongement de celles prises en 1987. À mesure que les tarifs de la TWRA ont grimpé d'une année à l'autre, la plupart des lignes membres ont relevé leurs taux de mesures distinctes de façon à maintenir un écart constant entre ces taux et ceux des tarifs de base. Les rabais consentis par les lignes de la TWRA ont varié entre 10 et 40 p. cent selon le produit, les conditions de transport et l'itinéraire.

Quant à l'ANERA, ses lignes membres ont continuellement pris des mesures distinctes en 1987 et 1988. L'abolition des taux minimums, que préconise la *LDCM*, a permis aux lignes membres d'adopter des mesures distinctes en-deçà des minimums antérieurement établis. L'étude des principaux produits transportés par les lignes de

valeur ont eu beaucoup de mal à obtenir qu'ils soient transportés sur les bateaux de la TWRA. La situation s'est tellement détériorée que des lignes membres de la TWRA ont pris des mesures distinctes afin d'augmenter les taux de fret au lieu de les diminuer. De plus, comme la demande est demeurée supérieure à l'offre et que les taux ont continué de grimper, les lignes membres de la TWRA ont hésité à signer des contrats d'exclusivité limitée avec les expéditeurs voulant se protéger des hausses dans les taux de fret.

En revanche, en 1988, le renversement des flux de marchandises provoqué par la dépréciation du dollar américain, conjugué à la capacité excédentaire des services des lignes d'importation, a entraîné des baisses de taux pour les produits acheminés d'Extrême-Orient vers l'Amérique du Nord par les lignes membres de l'ANERA.

Afin de préserver leur part du marché, plusieurs lignes membres de l'ANERA ont fréquemment eu recours aux mesures distinctes, accentuant la baisse des taux en 1988. Des niveaux tarifaires minimums pour les mesures distinctes avaient été établis par l'ANERA en 1987, mais ils ont été abandonnés lors de l'entrée en vigueur de la *LDCM*, et les lignes membres de la conférence ont alors commencé à appliquer des taux inférieurs aux taux minimums antérieurs. L'utilisation de contrats d'exclusivité limitée dans le commerce américain d'importation a nettement diminué en 1988, les expéditeurs hésitant à s'engager sur la base de taux contractuels dans une période de baisse tarifaire. En effet, la moitié des marchandises de l'ANERA étaient acheminées dans le cadre de contrats d'exclusivité limitée en 1988 contre 80 p. cent en 1987.

La persistance des problèmes de capacité excédentaire a contraint plusieurs transporteurs transpacifiques à accepter formellement de réduire de 10 p. cent dès 1989 la capacité des services offerts. Les transporteurs espèrent stopper la dégringolade des tarifs d'importation afin de les ramener à des niveaux plus acceptables.

Comme ceux de l'ANERA, les taux appliqués par la JEC et la JWC ont baissé durant le premier semestre de 1988; par la suite, ces conférences ont permis à leurs lignes membres de fixer leurs propres tarifs. Avec l'annonce d'une telle libéralisation de prix, les deux conférences ont cessé de déposer leurs tarifs auprès de l'Office, ne permettant plus de mesurer les changements tarifaires intervenus durant le deuxième semestre de l'année. Toutefois, l'information recueillie grâce à l'enquête menée auprès des conférences révèle que les taux ont continué de baisser jusqu'à la fin de 1988.

EFFICACITÉ DE LA *LDCM* DURANT LA PREMIÈRE ANNÉE

Contrats d'exclusivité limitée

Peu de contrats d'exclusivité limitée ont été signés dans le transport maritime de ligne régulière au Canada.

Seulement six contrats d'exclusivité limitée ont été déposés auprès de l'Office en 1988, soit cinq à l'importation et un à l'exportation. Tous les contrats d'importation déposés en 1988 ont été négociés avec des sociétés important des marchandises d'Extrême-Orient. Le seul contrat d'exportation déposé concerne des marchandises expédiées du Canada vers l'Europe.

L'enquête de l'Office effectuée auprès des expéditeurs canadiens, des transitaires et des conférences confirme qu'il y a eu très peu de fret international acheminé en vertu de contrats d'exclusivité limitée en 1988. En comparaison, près de 500 contrats d'exclusivité limitée avaient été déposés auprès de la Federal Maritime Commission des États-Unis (FMC) durant la première année d'entrée en vigueur de la *Shipping Act of 1984* américaine. Quelque 4 000 contrats d'exclusivité limitée par an ont été déposés auprès de la FMC depuis trois ans. Selon des estimations, environ 3 500 d'entre eux sont actuellement en vigueur dans le trafic américain de ligne.

En 1988, plusieurs facteurs semblent expliquer le faible taux d'utilisation des contrats d'exclusivité limitée dans le trafic canadien de ligne. Selon les conférences, l'effet négatif exercé sur les taux de fret de base par l'utilisation généralisée des contrats d'exclusivité limitée aux États-Unis semble avoir découragé encore plus certaines conférences canadiennes quant à leur utilisation. De plus, les conférences desservant certaines routes commerciales à destination ou en provenance du Canada ont convenu d'adopter des politiques interdisant à leurs lignes membres l'utilisation de contrats d'exclusivité limitée.

conférence d'importation desservant cette route. De 1987 à 1988, les taux de fret appliqués aux principaux produits sont demeurés assez stables, étant établis à partir de négociations collectives entre les offices de commercialisation du gouvernement australien et tous les transporteurs.

Les nouveaux mécanismes de tarification mis en place par la *LDCM*, soit les mesures distinctes et les contrats d'exclusivité limitée, ne semblent pas avoir contribué à la baisse des tarifs appliqués à cette route, aucun n'ayant été utilisé par l'une ou l'autre des deux conférences. Dès le milieu de 1987, ces dernières avaient également aboli progressivement l'utilisation des contrats d'exclusivité.

Est canadien - Royaume-Uni et Europe continentale

En 1987 et 1988, quatre conférences étaient actives sur cette route : deux à l'exportation, une vers le Royaume-Uni et l'autre vers l'Europe continentale, et deux à l'importation, chacune regroupant les mêmes lignes membres.

Bien qu'en 1987, elles n'avaient imposé aucune majoration tarifaire générale, les deux conférences à l'exportation ont haussé leurs tarifs de base à trois reprises en 1988. Malgré cela, en raison des guerres de prix dévastatrices et du fléchissement des tonnages du milieu des années 1980, ce n'est que maintenant que leurs taux de fret commencent à leur paraître acceptables. À la suite du fléchissement du dollar américain par rapport aux devises européennes, l'augmentation soudaine des tonnages importés en 1988 a rétabli un certain équilibre dans les flux de marchandises tout en provoquant une hausse des tarifs d'importation. Cela dit, l'arrivée de la ligne Maersk sur ce marché en 1988 contribuera peut-être, avec sa capacité d'emport substantielle, à modérer la hausse des taux de fret à l'exportation l'an prochain.

Ces conférences ont interdit l'utilisation des contrats d'exclusivité limitée et n'ont pris que deux mesures distinctes en 1988; à partir du 1er janvier 1988, elles ont aboli les contrats d'exclusivité qui régissaient auparavant la majeure partie de leur trafic d'exportations.

Malgré la relance soudaine du trafic d'importation, la majeure partie du tonnage continue d'être acheminée par les conférences d'importation sur cette route et cette situation se répercute au niveau des tarifs. En 1987, les conférences d'importation ont annoncé une hausse tarifaire générale et ont majoré leurs tarifs à deux reprises en 1988. Ces hausses tarifaires s'expliquent par la dominance des deux conférences sur ce marché, la non-utilisation des contrats d'exclusivité limitée et des mesures distinctes ainsi que par la constance de la demande de services de ligne.

Est et Ouest canadiens - Extrême-Orient

Quatre conférences desservent les routes transpacifiques. La Transpacific Westbound Rate Agreement (TWRA) est la seule conférence d'exportation offrant des services à partir de l'Est et l'Ouest canadiens vers les pays du bassin du Pacifique, dont le Japon. Trois conférences en l'occurrence, la Asia North America Eastbound Rate Agreement (ANERA), qui dessert l'Est et l'Ouest canadiens à partir des pays du bassin du Pacifique à l'exclusion du Japon, la Japan-East Canada (JEC) et la Japan-West Canada Freight Conference (JWC) offrent des services d'importation au Canada.

La TWRA et l'ANERA sont des conférences mixtes Canada-États-Unis tandis que la JEC et la JWC sont le prolongement de conférences américaines. Les changements de tarifs observés en 1987 et en 1988 s'expliquent en grande partie par les tendances ou changements constatés aux États-Unis, pays qui est à l'origine de la plus grosse part du commerce de ligne transporté sur cette route.

Après plusieurs années de tarifs peu élevés pour les produits d'exportation, les taux de la TWRA ont commencé à monter en 1987 et la tendance s'est maintenue en 1988. Le maintien de ces taux de fret en 1988 peut être attribué à la baisse du dollar américain par rapport au yen japonais, qui a entraîné une augmentation des exportations canadiennes et américaines vers l'Extrême-Orient. En moyenne, les tonnages d'exportation transportés vers les côtes d'Extrême-Orient à partir des côtes est et ouest des États-Unis et du Golfe du Mexique ont grimpé de 33 p. cent en 1988.

À cause de la croissance soudaine des exportations, la demande de places de conteneurs sur les navires a dépassé les capacités disponibles, poussant les lignes de la TWRA à tenter d'optimiser l'utilisation et leurs recettes générées par leur capacité. De ce fait, faute d'espace, les expéditeurs de produits de moindre

Tableau 6.1

Nombre de services uniques offerts par les lignes maritimes sur les grandes routes commerciales canadiennes

De/Vers l'Ouest canadien	**Printemps 1987**	**Automne 1988**
Lignes membres de conférences	23	21
Lignes non membres de conférences	21	20
De/Vers l'Est canadien		
Lignes membres de conférences	24	23
Lignes non membres de conférences	35	38

Remarque : Ces chiffres comprennent les escales directes au Canada, les services au Canada via les ports américains et les services avec jonction terrestre.

l'Australie et de la Nouvelle-Zélande, sont présentés au tableau 6.1.

S'il est vrai que pour les lignes membres et non membres des côtes est et ouest du Canada, la fréquence des services et le temps moyen de transit vers les ports étrangers sont demeurés assez stables de 1987 à 1988, il reste que plusieurs lignes ont mis en service des navires avec capacité plus élevé de chargement. Malgré l'accroissement de la capacité d'emport sur plusieurs routes, l'effet de ce phénomène sur les expéditeurs et les importateurs canadiens est difficile à mesurer puisque bon nombre des lignes utilisant de plus gros navires font escale aussi bien dans les ports américains que canadiens et recherchent activement des marchandises américaines, peu importe leur port d'embarquement. En 1988, l'Office n'a reçu des expéditeurs aucune plainte officielle ou officieuse concernant la disponibilité des services.

Tarifs

Les tarifs des conférences ont évolué de façon variable sur les grandes routes commerciales.

L'évolution des tarifs de conférences a été analysée pour les grandes routes commerciales reliant l'Est canadien à l'Australie et la Nouvelle-Zélande, l'Est canadien au Royaume-Uni et l'Europe continentale de même que l'Est et l'Ouest canadiens à l'Extrême-Orient. Voici les résultats d'une analyse effectuée pour un petit nombre de produits principaux transportés par les conférences œuvrant sur ces grandes routes commerciales et le volume transporté servant à déterminer l'importance relative du trafic des divers produits.

Est canadien - Australie et Nouvelle-Zélande

Deux conférences étaient actives sur cette route en 1987 et 1988, soit une à l'importation et l'autre à l'exportation, et chacune incluant les deux mêmes lignes membres. La conférence d'exportation avait imposé une hausse tarifaire générale de 6 p. cent en 1987, sans toutefois majorer ses tarifs en 1988. De fait, la concurrence exercée par le grand nombre de lignes non membres desservant cette route, la baisse récente des facteurs d'ajustement monétaire et du mazout lourd, et la fermeté du dollar canadien ont exercé depuis deux ans des pressions à la baisse sur les tarifs. Les changements apportés aux taux de fret des principaux produits transportés par cette conférence confirment ces observations.

En 1988, les forces du marché et la concurrence des lignes non membres ont également contribué à une baisse générale des tarifs pratiqués par la

de la structure des échanges commerciaux, le jeu de l'offre et de la demande sur les diverses routes commerciales ainsi que par les mesures de rationalisation des services.

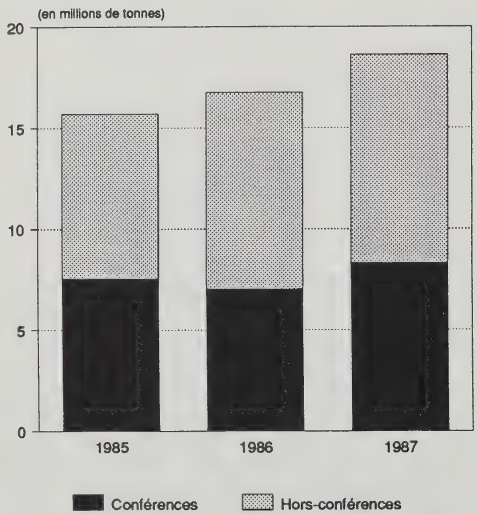
ACTIVITÉS DES CONFÉRENCES

Importance des conférences pour le commerce canadien

Les tonnages transportés par les conférences sont demeurés assez stables.

Totalisant 200 millions de tonnes, les expéditions en vrac hors lignes représentent toujours de loin la plus grosse part du tonnage total acheminé dans le cadre du transport maritime international canadien, soit 90 p. cent, ce qui reflète la très grande importance du vrac dans les échanges internationaux du pays.

GRAPHIQUE 6.2: TRANSPORT MARITIME INTERNATIONAL DE LIGNE AU CANADA



Source: Banque de données de l'ONT sur le trafic de ligne.

Même s'il ne représente qu'une partie minime des transports maritimes internationaux du Canada, le tonnage acheminé par les conférences est loin d'être négligeable, étant donné la valeur plus élevée en proportion de ses marchandises manufacturées et mi-ouvrées (graphique 6.2).

Les volumes transportés par les conférences sont demeurés assez stables. À la suite de l'augmentation de leur nombre et de leur importance, jumelée à la récente baisse des services offerts par les conférences, les lignes indépendantes continuent de dominer le trafic de ligne sur la côte ouest du Canada. En revanche, la stabilité et la longévité des lignes de conférences sur les routes commerciales à partir de la côte est, notamment vers le Royaume-Uni et l'Europe continentale, leur ont permis d'assurer le transport de la majeure partie des exportations et des importations de la côte est.

Service

Les niveaux de service fournis par les lignes de conférences et les lignes indépendantes n'ont pas changé de façon notable.

Comme par les années précédentes, les lignes maritimes desservant le Canada ont introduit en 1988 de l'équipement neuf, modifié leurs échéanciers d'appareillage, leurs ports d'escale et leurs ententes d'affrètement, et inauguré ou abandonné certains services. Cependant, toutes ces activités n'ont pas vraiment modifié le niveau global des services offerts aux expéditeurs et importateurs canadiens par les lignes de conférences et les lignes indépendantes de 1987 à 1988.

Quatre lignes indépendantes ont inauguré des services sur la côte est, deux lignes importantes mouillant à Vancouver ont transféré leurs activités aux États-Unis, deux lignes ont fusionné et une autre s'est retirée du transport maritime.

Les changements, survenus entre le deuxième trimestre de 1987 et le troisième trimestre de 1988, au nombre de lignes membres et non membres de conférences desservant le Canada sur ses trois grandes routes commerciales, soit à destination et en provenance du Royaume-Uni et de l'Europe continentale, des pays du bassin du Pacifique, de

service préétablis. Pour pouvoir être exemptée de la législation anti-coalition, la conférence est tenue de déposer son accord de base auprès de l'Office. Toutefois, la dérogation consentie ne l'autorise pas à négocier des taux de fret avec des transporteurs intérieurs, ni à établir des prix inférieurs aux coûts. Par ailleurs, la *LDCM* assujettit aux dispositions de la *Loi sur la concurrence* les accords entre lignes membres et non membres de conférences qui en étaient soustraits auparavant.

L'une des innovations majeures de la nouvelle législation concerne l'octroi aux lignes membres de conférences du droit inaliénable de prendre des mesures distinctes.

La *LDCM* autorise également les conférences et les lignes membres à utiliser des contrats confidentiels selon lesquels l'expéditeur s'engage à fournir une quantité minimale de marchandises pendant une période déterminée en échange soit d'un tarif spécial, soit d'un niveau de service par la conférence ou des deux. En revanche, les conférences ont obtenu le droit d'établir les conditions régissant l'utilisation de ces contrats.

En outre, en vertu de la nouvelle loi, les contrats d'exclusivité n'obligent plus l'expéditeur à réserver la totalité de ses marchandises au même transporteur.

Finalement, la *LDCM* met en place des mécanismes d'enquête et de règlement des différends se rapportant aux pratiques des conférences lorsque celles-ci débouchent sur une réduction déraisonnable des services de transport ou une augmentation déraisonnable des frais de transport.

STRUCTURE DE L'INDUSTRIE

À l'exception des routes commerciales mineures, la présence des conférences dans le trafic canadien de ligne est demeurée stable.

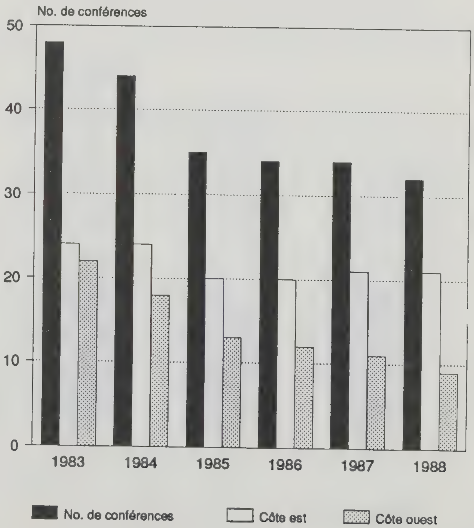
Les conférences maritimes sont des associations de transporteurs maritimes régissant les tarifs, les prix et les modalités de service de leurs membres; elles fournissent des services de transport maritime réguliers et fréquents pour l'importation et l'exportation.

Le nombre de conférences desservant le Canada au cours de chacune des cinq dernières années est indiqué au graphique 6.1.

Le nombre de conférences actives au Canada est passé de 34 en 1987 à 32 en 1988, à la suite de la dissolution de trois conférences mineures et de la création d'une conférence. Le nombre de conférences offrant des services d'importation, d'exportation ou des deux a peu changé de 1987 à 1988 (graphique 6.1). De même, le nombre de conférences desservant les grandes routes commerciales du Canada est demeuré identique durant la même période.

Les statistiques de 1988 font ressortir une diminution du nombre de lignes membres des conférences, du nombre de conférences desservant les côtes est et ouest du Canada et du nombre de services fournis par les conférences maritimes au Canada. Cette situation semble avoir été provoquée surtout par la restructuration du transport maritime international de ligne, l'évolution

GRAPHIQUE 6.1: CONFÉRENCES OEUVRANT AU CANADA AU 31 DÉCEMBRE DE CHAQUE ANNÉE



Source: Dossiers des conférences.

Connaissance de la *LDCM*

Les résultats de l'enquête réalisée en 1988 par l'Office auprès des expéditeurs canadiens et des transitaires internationaux démontrent que la majorité des répondants connaissent mal les dispositions et les objectifs de la nouvelle législation sur les conférences maritimes.

Incidence de la *LDCM*

Les données disponibles permettent de penser que la *LDCM* a eu peu d'incidence sur le trafic international de ligne au Canada en 1988. Par rapport à 1987, les changements constatés au chapitre de la structure de l'industrie, des niveaux de trafic, des niveaux de service et des taux de fret ont été davantage le résultat du libre jeu des forces du marché sur les différentes routes commerciales, des politiques des conférences maritimes, de la continuation des mesures de rationalisation des services maritimes et des décisions prises à l'étranger sur le transport maritime de ligne.

Entente sur le trafic transpacifique

Afin de réduire les problèmes de surcharge des lignes transpacifiques d'importations et de relever les taux de fret, 13 lignes maritimes membres et non membres de conférences ont convenu en 1988 de réduire de 10 p. cent la capacité disponible dès 1989. Si cet objectif est atteint, l'entente aura pour effet de stabiliser la chute des tarifs et ainsi d'éliminer la situation favorable aux importateurs canadiens occasionnée par le déséquilibre dans les flux de marchandises.

Taux de la Transpacific Westbound Rate Agreement

Consécutive à la dévalorisation du dollar américain par rapport aux principales devises de l'Extrême-Orient, l'augmentation des exportations nord-américaines vers l'Extrême-Orient a provoqué une série de majorations des taux de fret maritime de la Transpacific Westbound Rate Agreement (TWRA), une conférence maritime desservant les pays du bassin du Pacifique. À la fin de 1988, une demande supérieure à la capacité de transport de la TWRA continuait d'exercer des pressions à la hausse sur les tarifs.

Clause sur les conteneurs arrivant à Vancouver

En abolissant en 1988 l'obligation de décharger les conteneurs d'importation arrivant au port de Vancouver, les autorités canadiennes espèrent aider le port à récupérer le trafic de conteneurs perdu au profit des ports américains de Seattle et de Tacoma et inciter les transporteurs maritimes à replacer Vancouver sur leurs itinéraires.

Expansion de l'EDI

Les progrès en matière d'échanges de données informatisées (EDI) ont permis à bon nombre de conférences, de lignes de transport maritime, d'autorités portuaires et de gouvernements de réaliser des gains d'efficacité et de répondre à leurs besoins de documentation. L'engagement pris par la Commission maritime fédérale des États-Unis de mettre au point un système automatisé d'information et de dépôt des tarifs est un exemple particulièrement probant de cette tendance.

RÉFORME DE LA RÉGLEMENTATION

La nouvelle loi dérogatoire sur les conférences maritimes établit un équilibre plus juste entre les intérêts des expéditeurs canadiens et ceux des conférences maritimes.

La *Loi dérogatoire de 1987 sur les conférences maritimes (LDCM)* est entrée en vigueur le 17 décembre 1987 pour remplacer la loi du même nom de 1979.

Le but fondamental de la *LDCM* n'a pas changé : soustraire certaines pratiques des conférences maritimes œuvrant au Canada aux dispositions de la *Loi sur la concurrence* du Canada. Cependant, la nouvelle loi contient un certain nombre de nouvelles dispositions destinées à préciser et à limiter les dérogations consenties aux conférences, à établir un meilleur équilibre entre les intérêts des expéditeurs canadiens et ceux des conférences maritimes, par souci d'équité, et à élargir les champs de concurrence tarifaire entre les transporteurs maritimes membres des conférences.

Les lignes membres d'une conférence maritime acceptent des taux, des prix et des conditions de

LE TRANSPORT MARITIME INTERNATIONAL DE LIGNE AU CANADA

FAITS SAILLANTS DE 1988

Contrats d'exclusivité limitée

Les effets attendus des contrats d'exclusivité limitée, l'un des nouveaux mécanismes mis en place par la *Loi dérogatoire de 1987 sur les conférences maritimes (LDCM)* afin d'offrir aux expéditeurs un outil pour faire baisser les taux de fret des conférences, ne se sont pas matérialisés. Contrairement à ce qui s'est passé aux États-Unis, où des milliers de contrats d'exclusivité limitée sont en vigueur, seulement six ont été déposés auprès de l'Office en 1988.

Mesures distinctes

Bien que le mécanisme de mesures distinctes[1] ait été plus largement utilisé que celui se rapportant aux contrats d'exclusivité limitée dans le trafic canadien de ligne, rien ne permet de penser qu'il ait réussi à freiner vraiment les hausses tarifaires générales imposées aux expéditeurs canadiens par les conférences maritimes en 1988.

Contrats d'exclusivité

L'abolition du droit d'exiger la totalité des marchandises provenant d'un même expéditeur, conjuguée à l'avènement des contrats d'exclusivité limitée et des mesures distinctes, a entraîné la disparition des contrats d'exclusivité, les dernières conférences qui les utilisaient les ayant éliminés en 1988.

1. Mesure selon laquelle une ligne membre d'une conférence peut établir un prix ou un service différent de celui déposé dans le tarif.

LES SERVICES DE TRANSPORT PAR EAU

à long terme mais, en raison d'une année caractérisée par une concurrence tarifaire soutenue et une baisse des recettes unitaires, celle-ci a produit des résultats financiers décevants.

La transition de Wardair vers l'exploitation de services réguliers ne devait normalement pas lui permettre de dégager de bénéfices avant le début de la prochaine décennie. En 1988, elle a subi des pertes importantes. La perte estimée de 21,6 millions de dollars pour l'année 1988 représente une chute de près de 58 millions de dollars par rapport à l'année précédente. Les chiffres des deux années englobent les gains après impôts des ventes d'appareils, soit 28,6 millions de dollars en 1987 et 36,1 millions de dollars en 1988. Les efforts résolus d'Air Canada et de Canadien International en vue de protéger leurs parts de marché ont neutralisé la stratégie de réduction significative des prix de Wardair. Même si la société a enregistré une hausse de 37 p. cent de ses recettes d'exploitation, cette mesure n'a pas suffi à compenser la hausse des coûts causée par l'expansion rapide de ses services réguliers.

SITUATION FINANCIÈRE DES TRANSPORTEURS

L'expansion des grandes sociétés aériennes sur les marchés internationaux, jumelée à une concurrence de plus en plus vive sur les marchés intérieurs, a produit des résultats variables, allant de profits sans précédent pour Air Canada à des pertes substantielles pour Wardair.

Résultats opérationnels

Au cours d'une année particulièrement difficile pour l'industrie, Air Canada a réussi à augmenter son nombre de passagers et de passagers-kilomètres payants, soit environ 9 p. cent dans chaque cas. Ce chiffre est supérieur à l'augmentation de sa capacité d'emport, ce qui lui a permis de relever le taux de charge moyen de ses appareils jusqu'à 70,6 p. cent. Malgré ces améliorations et d'autres gains de productivité, ses recettes unitaires, exprimées en revenus par passager-kilomètre, ont baissé en 1988. En effet, Air Canada a dû offrir sur ses marchés intérieurs des rabais afin de faire face à la concurrence et de reconquérir la part de marché perdue lors de la grève de ses employés au sol en 1987.

Les opérations de fret d'Air Canada se sont soldées par une baisse marginale, la société ayant restructuré ce secteur pour réduire ses coûts et privilégier ses routes rentables.

Canadien International a augmenté de plus de 15 p. cent la capacité d'emport de ses services passagers et marchandises. En 1988, elle a transporté 3,6 p. cent de passagers en plus grâce à l'inauguration de nouveaux services internationaux vers Francfort et Munich, à une restructuration compétitive de ses horaires intérieurs et à l'expansion continue de son vaste réseau d'apport. La hausse encore plus forte du nombre de ses passagers-kilomètres payants révèle une concentration accrue sur ses routes de longue distance et son taux de charge moyen a presque rejoint celui d'Air Canada. Cependant, ses recettes unitaires ont également baissé en 1988 à cause des rabais qu'elle a dû offrir pour conserver sa clientèle.

Quant à Wardair, ses résultats reflètent son expansion rapide sur les marchés interurbains à densité élevée avec l'acquisition de nouveaux Airbus 310. Son taux de charge moyen moins élevé peut être attribué à plusieurs facteurs, notamment à sa récente entrée dans le domaine des services réguliers, à l'absence d'un réseau d'apport et aux effets des programmes de grands voyageurs mis en place par ses concurrents. Les efforts investis pour attirer la clientèle d'affaires lui ont permis de rehausser ses recettes unitaires, mais sa politique de tarifs inférieurs à ceux de ses concurrents a quand même maintenu ces dernières bien en-deçà de celles d'Air Canada et de Canadien International.

Bilan financier

En 1988, les grands transporteurs aériens du Canada ont été coincés entre l'escalade des coûts résultant de l'expansion des réseaux de services et la baisse des recettes unitaires imputables aux importants rabais tarifaires. Par ailleurs, les commandes de nouveaux appareils, se chiffrant à des milliards de dollars, laissent présager d'autres tensions financières.

Air Canada a déclaré un bénéfice net sans précédent de 96 millions de dollars pour l'année, doublant ainsi le chiffre de 1987. La hausse de ses recettes d'exploitation provient surtout de la consolidation des revenus de ses nouvelles filiales (Northwest Territorial Airways, Air Alliance, Gelco Express Ltd.), mais aussi de la forte croissance de son trafic de passagers. En outre, la vente d'appareils lui a procuré des revenus autres que ceux liés à l'exploitation.

Ses dépenses d'exploitation ont également grimpé à cause de l'intégration des nouvelles filiales, de la hausse des dépenses découlant des commissions de vente et de la hausse des frais d'entretien. Ses dépenses annuelles d'amortissement ont été sensiblement réduites.

La société PWA (Lignes aériennes Canadien International) a déclaré un bénéfice net de 30,3 millions de dollars pour 1988. Avec cette réduction de moitié de ses revenus d'exploitation par rapport à l'année précédente, occasionnée par des dépenses non récurrentes liées à l'intégration de Pacific Western Airlines et des lignes aériennes du Canadien Pacifique, la nouvelle société a continué de rationaliser ses activités et d'accroître sa capacité de transport de passagers et de fret. Cette stratégie était destinée à assurer sa viabilité

Quant à Wardair, elle a modernisé sa flotte, composée uniquement de gros porteurs en acquerrant six Airbus 310 et en se départissant de deux DC-10. Destiné à rehausser sa capacité en Amérique du Nord, elle a aussi annoncé un programme d'investissement de 2 milliards de dollars pour l'acquisition de deux autres Airbus 310, huit nouveaux MD-88, comparables aux Airbus 320, et 16 Fokker 100, plus petits, avec des options d'achat sur huit MD-88 et huit Fokker 100 supplémentaires.

Transporteurs affiliés

Au quatrième trimestre de 1988, les transporteurs affiliés d'Air Canada ont augmenté de près de 36 p. cent le nombre de leurs vols réguliers par rapport au même trimestre en 1987. Quant aux transporteurs affiliés de Canadien International, l'augmentation a été de plus de 76 p. cent. Par ailleurs, l'augmentation de la capacité en places a été encore plus prononcée : de plus en plus, les transporteurs ont utilisé de gros appareils, soit un renversement de la tendance notée en début d'année.

Afin de subvenir à leurs services en pleine expansion, les transporteurs affiliés ont acheté des appareils à turpopropulsion tels des Jetstream 31 (19 places), des Dash-8 et des ATR 42 (de 36 à 50 places). Certains des plus gros affiliés ont commandé des appareils à réaction, soit des Fokker 28, des Fokker 100, des B-737 et des BAe 146, pour être plus compétitifs sur les longs trajets à forte densité.

Transporteurs indépendants

En 1988, City Express a rationalisé sa flotte avec quatre Dash-7 et quatre Dash-8.

First Air a pris livraison d'un avion à réaction Boeing 727, qui est venu s'ajouter à sa flotte existante composée de trois B-727, de Beavers, de Twin Otters, de Single Otters, de DC-3, de HS 748 et de Dash-7.

Tableau 5.10

Bilan financier des grands transporteurs

	Air Canada*		PWA*		Wardair	
En millions de $	**1988**	**1987**	**1988**	**1987**	**1988**	**1987**
Recettes d'exploitation	3 426	3 131	2 176	1 871	544	396
Dépenses d'exploitation	3 301	3 027	2 098	1 707	563	381
Revenus d'exploitation	125	104	78	164	(19)	15
Bénéfice net	96	46	30	28	(22)	36

( ) indique un chiffre négatif

* Ch

Afin de remplacer ses vieux B-727, Air Canada annonçait en juillet qu'elle venait de commander l'acquisition de 34 Airbus 320 et de prendre des options sur 20 autres, ce qui représente une commande de 1,8 milliard de dollars. Doté des derniers raffinements technologiques, l'Airbus 320 offre un plus long rayon d'action, permet une économie en carburant de l'ordre de 47 p. cent et n'exige qu'un équipage de deux membres, trois facteurs qui allègent sensiblement ses frais d'exploitation. En même temps, Air Canada a augmenté sa flotte d'avions à long rayon d'action en accusant réception de quatre Boeing 767 supplémentaires. Outre la vente de deux de ses avions-cargo DC-8, elle a aussi négocié la vente de 28 B-727 à la société américaine de fret Federal Express et de trois autres à Worldways Canada.

Lors de leur création, les Lignes aériennes Canadien International se sont retrouvées à la tête d'une flotte composée de 72 Boeing 737, exploités sur les marchés intérieurs et transfrontaliers, et de 12 DC-10 exploités surtout sur les trajets internationaux de longue distance.

En 1988, la société a pris livraison de quatre Boeing 767 à long rayon d'action, ce qui lui a donné plus de latitude dans l'exploitation de son réseau nord-américain et de ses services européens et sud-américains. De plus, elle a annoncé qu'elle avait commandé, au coût de 1,6 milliard de dollars, de nouveaux appareils, comprenant trois Boeing 747-400 (avec des options sur quatre autres) pour ses lignes transpacifiques vers Hong-kong, Bangkok et Tokyo, six nouveaux Boeing 767 (avec des options sur 14 autres) et 17 Airbus 320 (avec des options sur 34 autres) pour remplacer ses B-737 et compléter sa flotte.

Tableau 5.9

Statistiques d'exploitation des services réguliers des grands transporteurs

	AIR CANADA			**CANADIEN INTERNATIONAL**			**WARDAIR**		
	1987	**1988**	**Écart en %**	**1987**	**1988**	**Écart en %**	**1987**	**1988**	**Écart en %**
Passagers transportés (en milliers)	12 562	13 680	8,9	8 507	8 813	3,6	805	1 465	81,2
Passagers-kilomètres payants (en milliers)	20 974 508	22 812 785	8,8	15 476 565	18 017 739	16,4	3 407 367	5 233 245	53,6
Places-kilomètres disponibles (en milliers)	30 069 665	32 298 156	7,4	22 409 296	25 936 569	15,7	5 030 209	7 939 095	57,8
Taux de charge passagers	69,75	70,63	1,3	69,06	69,47	0,6	67,74	65,92	(2,7)
Tonnes-kilomètres de fret (en milliers)	809 644	791 407	(2,3)	329 058	394 764	20,0	64 448	68 712	6,6

Remarque : Les chiffres entre parenthèses représentent une diminution.

Source : Centre des statistiques de l'aviation.

L'enquête de 1988 menée auprès des expéditeurs a démontré que plus de la moitié des répondants expédiant des marchandises par avion ont payé des tarifs comparables ou inférieurs à ceux de 1987. L'enquête effectuée auprès des collectivités du Nord a aussi révélé que les tarifs de fret aérien sont demeurés sensiblement les mêmes en 1988, sauf dans les régions d'Inuvik, de Fort Smith et dans les Territoires du Nord-Ouest, où ils ont augmenté, ainsi que dans le nord du Manitoba et au Québec.

Flottes

En 1988, les transporteurs aériens du Canada se sont lancés dans d'ambitieux programmes de rééquipement en commandant de nouveaux appareils ultra-modernes de façon à permettre plus de latitude dans l'exploitation de leurs flottes et à comprimer le plus possible leurs frais d'exploitation.

Les grands transporteurs

Afin de rendre leur flotte compatible avec leurs nouvelles stratégies corporatives établies pour faire face à un environnement déréglementé, les trois grands transporteurs aériens du Canada ont passé des commandes pour l'acquisition de 83 nouveaux avions à réaction, d'une valeur de plus de 4 milliards de dollars. En ajoutant les options sur 88 autres appareils, leurs engagements financiers pourraient atteindre 8,7 milliards de dollars.

La vaste flotte d'Air Canada comprend 33 Boeing 727 et 35 DC-9 qui desservent surtout les marchés de courte et de moyenne distance en Amérique du Nord. Des appareils plus gros, des Lockheed L1011 et des Boeing 747, sont utilisés sur les routes internationales achalandées tandis que des Boeing 767 sont mis en service sur les marchés transfrontaliers de longue distance, les marchés transcontinentaux et ceux de l'Atlantique Nord, où la demande est moins forte. Des DC-8 sont réservés pour les opérations de fret.

Tableau 5.8

Composition de la flotte des grands transporteurs

	1987		**1988**		**EN COMMANDE**	
AIR CANADA	33	B-727	33	B-727	34	A-320
	35	DC-9	36	DC-9	3	B-767
	8	DC-8 (cargo)	6	DC-8 (cargo)		
	6	B-747	6	B-747		
	15	L1011	14	L1011		
	14	B-767	19	B-767		
	111		114			
CANADIEN INTERNATIONAL	72	B-737	67	B-737	17	A-320
	12	DC-10	13	DC-10	6	B-767
	3	F-27	1	F-27	3	B-747
	1	Electra	2	Electra		
	88		4	B-767		
			87			
WARDAIR	3	B-747	3	B-747	8	MD-88
	3	DC-10	1	DC-10	16	F-100
	6	A-310	12	A-310	2	A-310
	2	A-300	2	A-300		
	14		18			

Tarifs

Les tarifs des classes Affaires et Économie ont augmenté sur la plupart des liaisons intérieures; sur les marchés très compétitifs, les transporteurs ont offert des rabais plus nombreux et plus substantiels.

Les tarifs aériens sont surtout régis par les systèmes de plus en plus affinés et changeants de gestion des recettes unitaires utilisés par les sociétés aériennes pour tenter d'accroître leurs revenus en optimisant l'assortiment des places offertes sur chaque vol en classes Affaires, Économie et à tarif réduit. Généralement, cela les oblige à ajuster le nombre et l'importance des rabais consentis; c'est ainsi que près de deux passagers sur trois des services réguliers voyageant au Canada le font à tarif réduit.

L'étude du niveau des tarifs est impossible sans l'obtention du nombre de places disponibles et vendues dans chaque catégorie. Par exemple, une augmentation donnée des tarifs de classe économique n'aura que des conséquences minimes si le nombre de billets ainsi vendus est faible. Quoi qu'il en soit, quelques observations sur la situation qui a prévalu en 1988 à ce chapitre peuvent être faites.

Donnant accès à des services supplémentaires et à plus de confort, les tarifs Affaires sont généralement proposés sur les routes interurbaines et locales. La concurrence est très vive dans le domaine très lucratif des voyages d'affaires et, en général, se fait plus au niveau du service que des prix. La comparaison des tarifs appliqués aux quatrième trimestres de 1987 et de 1988 révèle une augmentation d'environ 10 p. cent des tarifs Affaires sur la plupart des routes. En règle générale, les tarifs Affaires de Wardair étaient généralement de 15 p. cent inférieurs à ceux d'Air Canada et de Canadien International, et plus bas que leurs tarifs de classe économique.

Les tarifs Économie, ou tarifs de base, sont les tarifs les plus bas offerts sans restriction. Entre les quatrième trimestres de 1987 et de 1988, ces derniers ont augmenté d'environ 6 p. cent sur la plupart des 30 principaux marchés. Encore une fois, ceux de Wardair étaient plus bas que ceux de ses concurrents, mais la marge de 15 p. cent les séparant avait commencé à rétrécir en 1988.

Très publicisées, les « guerres des prix » de 1988 ont été menées au moyen de mesures telles les tarifs réduits, les soldes de places et autres programmes incitatifs. Wardair a lancé son propre programme de grands voyageurs et est même allée plus loin en offrant aux voyageurs des classes Affaires et Économie des rabais à l'achat de billets en gros, initiative rapidement imitée par Air Canada et Canadien International. Sur la plupart des routes intérieures desservies de façon régulière, le nombre total de tarifs réduits offerts à la clientèle n'a pas changé en 1988, sauf sur les marchés où la concurrence a été particulièrement vive; pour ces derniers, le nombre et l'importance des rabais ont été accrus. Même si les tarifs Affaires et Économie de Wardair étaient inférieurs à ceux de ses concurrentes, Air Canada et Canadien International ont offert des rabais plus nombreux et intéressants que Wardair sur la quasi totalité des routes étudiées.

Dans le secteur très compétitif des services transcontinentaux de longue distance, par exemple Toronto-Vancouver, Calgary-Toronto, Edmonton-Toronto, Montréal-Vancouver et Ottawa-Vancouver, une hausse notable du nombre de tarifs réduits différents offerts par les transporteurs a été observée, surtout par Air Canada et par Canadien International. Au demeurant, le plus bas de ces tarifs était nettement moins élevé que celui du quatrième trimestre de 1987 et représentait un rabais de plus de 80 p. cent par rapport au plein tarif.

Au chapitre des tarifs, l'arrivée de nouveaux concurrents sur trois routes du Nord a produit des résultats variés. Sur les routes Vancouver-Whitehorse et Edmonton-Inuvik, où les transporteurs affiliés d'Air Canada ont concurrencé Canadien International, l'augmentation des tarifs de classe économique a été de l'ordre de 6 p. cent, mais des rabais plus nombreux et intéressants ont aussi été offerts. Sur la ligne Iqaluit-Yellowknife, une chute brutale aussi bien des tarifs de classe économique que des tarifs réduits a été constatée.

Les résultats de l'enquête ont été assez cohérents en regard des tarifs, à savoir une hausse générale des tarifs Affaires, Économie et réduits. Les agents de voyage membres de l'ACAT ayant répondu à l'enquête ont souligné la prolifération de tarifs réduits, accompagnés de règles et de conditions de plus en plus complexes. L'enquête auprès des collectivités du Nord a également révélé une augmentation du nombre de tarifs réduits proposés.

En conséquence, les services offerts en 1988 par l'industrie du fret aérien se caractérisaient par une capacité et une commodité accrues, grâce à la croissance du réseau de routes aériennes, à l'augmentation du nombre de fréquences de vols et à l'utilisation de nouveaux appareils.

Air Canada est demeurée le seul transporteur aérien de passagers à exploiter des avions-cargo spécialisés; elle a mis l'accent sur son réseau d'apport en pleine croissance, tout en réduisant ses services transfrontaliers et internationaux à rentabilité limitée. Elle a également pénétré le marché en pleine expansion des messageries aériennes avec ses filiales Gelco Express et Northern Messenger.

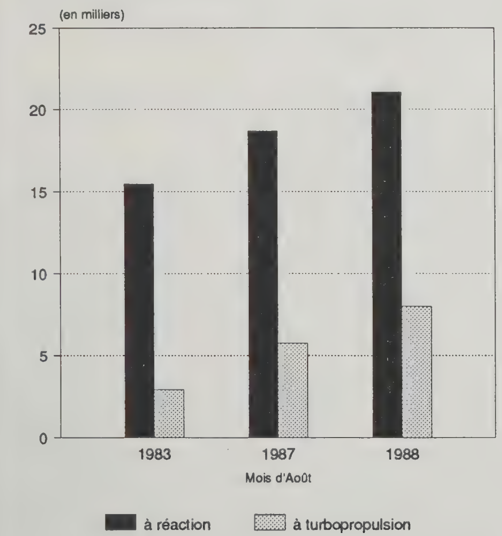
Canadien International a développé ses activités de fret en déployant des appareils de plus grosse capacité, des Boeing 767, sur ses marchés intérieurs, d'Europe et d'Amérique du Sud.

Wardair a inauguré en 1988 un nouveau centre de fret à l'aéroport international Pearson de Toronto et a augmenté considérablement sa capacité d'emport grâce à sa nouvelle flotte d'Airbus 310. Outre son réseau intérieur, elle a concentré ses activités de fret sur ses liaisons avec le Royaume-Uni.

Le fait que plusieurs aéroports du Nord figurent sur la liste des 30 principaux aéroports pour le transport de fret illustre bien l'importance du fret aérien pour les collectivités éloignées. En 1988, Canadien International, Northwest Territorial Airways et First Air ont introduit sur les routes du Nord des avions à réaction aménagés pour du transport mixte.

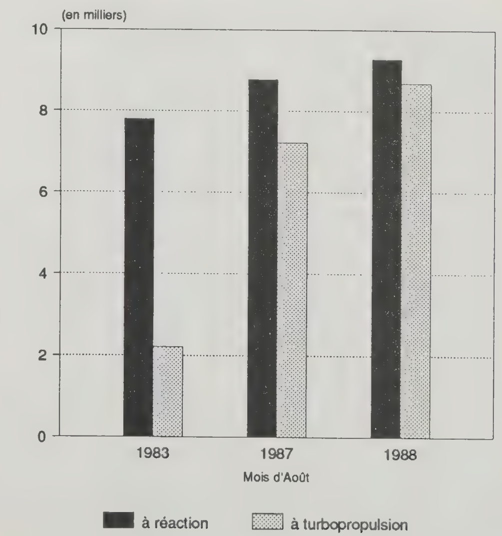
La hausse des niveaux de service de fret aérien est également ressortie des résultats de l'enquête de 1988 auprès des expéditeurs, les répondants ayant signalé des améliorations au chapitre du nombre de transporteurs, de la fréquence des services et de la capacité disponible.
En revanche, l'enquête réalisée auprès des collectivités du Nord a révélé que la qualité globale des services de fret aérien est insatisfaisante dans bon nombre de petites collectivités.

GRAPHIQUE 5.4: MOUVEMENTS D'APPAREILS
Aéroport international Pearson



Source: Centre des statistiques de l'aviation.

GRAPHIQUE 5.5: MOUVEMENTS D'APPAREILS
Aéroport international de Vancouver



Source: Centre des statistiques de l'aviation.

Nord canadien

Le Yukon et les Territoires du Nord-Ouest ont bénéficié de niveaux de service permettant une amélioration des liaisons avec le Sud, grâce à un plus grand nombre de vols directs et indirects et à une augmentation de 40 p. cent du nombre de places offertes sur les services réguliers. Plusieurs des nouveaux vols ont été assurés par des avions à réaction, notamment les services au moyen d'appareils BAe 146 d'AirBC entre Vancouver et Whitehorse, ceux avec B-727 de First Air entre Yellowknife, Iqaluit et Ottawa, ceux avec appareil F-28 de Time Air entre Watson Lake et Edmonton, et ceux avec B-737 de Northwest Territorial Airways entre Edmonton, Yellowknife, Rankin Inlet, Cambridge Bay, Inuvik et Iqaluit.

Le niveau de service offert à l'intérieur du Yukon est demeuré assez stable tandis que celui des services à l'intérieur des Territoires du Nord-Ouest a sensiblement augmenté. De nouveaux concurrents sont apparus sur neuf routes, notamment sur la route Iqaluit-Rankin Inlet-Yellowknife, où First Air fait concurrence à Northwest Territorial Airways avec un B-727, un appareil à réaction.

Northwest Territorial Airways a ajouté Aklavik, Fort McPherson, Inuvik, Norman Wells et Tuktoyaktuk à son réseau pendant que la société Aklak Air se substituait à Kenn Borek Air pour offrir des services à Aklavik, Fort McPherson, Holman Island, Inuvik, Paulatuk, Sachs Harbour et Tuktoyaktuk. Air North a ajouté un service vers Old Crow et Ptarmigan Airways a délaissé ses vols vers Fort Simpson.

L'enquête réalisée auprès des collectivités du Nord a fait ressortir cette amélioration générale de la gamme de services, mais elle a aussi révélé quelques exceptions. Ainsi, certaines collectivités du nord de l'Alberta et du Manitoba, ainsi que de la région de Keewatin, dans les Territoires du Nord-Ouest, ont signalé que leurs services aériens sont demeurés insatisfaisants ou se sont détériorés en 1988.

Observations

En règle générale, l'amélioration des niveaux de service a résulté de :

- l'expansion des activités des transporteurs affiliés sur les marchés locaux et régionaux, appuyée par la croissance des activités des transporteurs indépendants;
- la concurrence que se sont livrée les trois grands transporteurs sur les marchés interurbains achalandés, avivée par la présence accrue des affiliés sur ces routes.

L'évolution vers une fréquence accrue de vols offerts au moyen de plus petits appareils reflète surtout la croissance des services d'apport à partir des aéroports clés. L'importance du nombre de tels vols, conjuguée à la concentration des liaisons autour d'une période de pointe résultant d'un système en étoile, a fini par saturer les services au sol et de contrôle de la circulation aérienne des aéroports internationaux de Vancouver et Pearson à Toronto; la situation a été aggravée par une grève du zèle des contrôleurs de la circulation aérienne. Beaucoup de vols ont été annulés ou retardés, ce qui a perturbé le trafic aérien d'un bout à l'autre du pays en raison de l'interdépendance des services liés au système en étoile. Cependant, à la fin de l'année, divers facteurs permettaient de croire que les sociétés aériennes prenaient des mesures afin de consolider leurs vols d'apport sur les gros porteurs, de façon à optimiser l'utilisation des créneaux d'atterrissage aux aéroports clés très achalandés.

Les commentaires les plus nombreux ajoutés par les répondants à l'enquête sur le transport aérien se rapportaient aux problèmes d'embouteillage et de retards à l'aéroport international Pearson. Pour sa part, l'étude réalisée par la Commission des transports des provinces de l'Atlantique a révélé une réticence grandissante des passagers en provenance des provinces de l'Atlantique à inclure Toronto sur leurs itinéraires.

Fret

Les niveaux de service de l'industrie du fret aérien sont liés à ceux des services aux passagers puisque la plupart des marchandises sont transportées dans les soutes des avions servant au transport des passagers ou dans des avions aménagés pour du transport mixte.

indépendants, soit Jetall, Air Integra, Atlantic Airways et City Express, ont inauguré de nouveaux services vers les provinces de l'Atlantique, incluant notamment les villes de Charlottetown, de Fredericton, de Moncton, de St. John's, de Digby, de Halifax, de Port Hawkesbury, de Saint John et de Wabush-Labrador.

Dans son rapport sur les services aériens, la Commission des transports des provinces de l'Atlantique a signalé une amélioration notable des niveaux de service dans toute la région et les réactions très positives des usagers.

Ontario/Québec

Les paires de villes échantillonnées pour l'étude des services en Ontario et au Québec ont bénéficié d'une augmentation significative du nombre de vols directs et indirects, soit 91 et 85 p. cent respectivement, et le nombre de vols assurés par des avions non réactés a plus que quadruplé. La tendance vers une augmentation des fréquences avec des avions à turbopropulsion plus petits est particulièrement évidente sur la route Sudbury-Toronto, où la hausse globale du nombre de vols par avions non réactés a atteint 300 p. cent tandis que le nombre de places offertes n'a grimpé que de 14 p. cent.

Au Québec, Air Alliance a inauguré des services vers Baie-Comeau, Mont-Joli, Montréal, Ottawa, Québec, Saguenay-Bagotville, Sept-Îles, Rouyn-Noranda et Val-d'Or. Air Ontario et Inter-Canadien ont abandonné leurs services vers une vingtaine de petites destinations, mais beaucoup ont été repris par d'autres sociétés, par exemple par Frontier Air, Air Alliance ou Bearskin Lake Air Service.

Ontario Express a ajouté Dryden et North Bay à son réseau; Inter-Canadien a fait de même avec Alma et Dolbeau. Sept transporteurs indépendants, soit Frontier Air, Voyageur Airways, Propair, Bearskin Lake Air Service, Nationair, City Express et Pem-Air ont ajouté à leurs services les villes d'Attawapiskat, de Fort Albany, de Fort Hope, de Geraldton, de Kashechewan, de Moosonee, de Nakina, d'Ogoki Post, de Peawanuck, de Thunder Bay, d'Earlton, de Kirkland Lake, de Cat Lake, de Fort Severn, de Hamilton, de Chatham et de St. Thomas, toutes sises en Ontario, et les villes québécoises de Gatineau-Hull, de La Grande, de Rouyn-Noranda, de Val-d'Or, de Québec et de Sept-Îles. Air Inuit a ajouté six collectivités septentrionales du Québec à son réseau pour desservir 18 destinations en tout.

Divers services ont été abandonnés ou réduits lorsque certains transporteurs indépendants se sont retirés de certains marchés ou ont cessé leurs activités : Skywalker (Toronto), Trillium Air (Saul Ste. Marie, Thunder Bay, Toronto), les Ailes de Charlevoix (La Malbaie, Québec) et Georgian Bay Airways (Parry Sound, Sans Souci Island).

Provinces de l'Ouest

C'est dans les Prairies et en Colombie-Britannique que la croissance des services intérieurs a été la moins marquée, mais ces derniers ont quand même suivi la tendance générale avec une hausse significative du nombre de vols directs et de places offertes. Une augmentation des fréquences avec avions à réaction y a aussi été observée, notamment avec l'utilisation par AirBC de ses avions BAe 146 sur des lignes comme Vancouver-Prince George, Vancouver-Terrace et Edmonton-Fort McMurray.

AirBC a également ajouté Fort St. John, Lethbridge et Prince Rupert à son réseau; Canadien International a continué de réduire ses services avec avions à réaction sur les routes régionales et locales peu achalandées, permettant ainsi à ses affiliés d'entrer sur ces marchés avec de plus petits appareils. Time Air a repris des services vers Dawson Creek, Edmonton, Fort Nelson, Fort St. John, La Ronge, Prince Albert, Quesnel, Regina, Saskatoon, Stony Rapids, Uranium City, Williams Lake, Wollaston Lake et Winnipeg; Ontario Express a ajouté Winnipeg et Brandon à ses destinations.

Sept transporteurs indépendants, soit Wilderness Airlines, Northland Air Manitoba, Skylink Airlines, Central Mountain Air, Transprovincial Airlines, Keystone Air Service et Perimeter Airlines, ont ajouté des services vers 15 nouvelles destinations comprenant Campbell River, Dean River, Jenpeg, Smithers, Terrace-Kitimat, Bronson Creek, Dease Lake, Prince George, Telegraph Creek, Prince Rupert, Dauphin, Swan River, Winnipeg, Cross Lake et Brandon. Auparavant desservies par Waglisla Air, Adastra Aviation, Burrard Air et Skylink, les services ont été réduits ou abandonnés vers 12 autres destinations.

Service

Toutes les régions du pays ont enregistré une hausse importante des niveaux de service quant au nombre de vols, de capacité et de degré de concurrence.

Les 20 plus importants marchés

Les niveaux de service aérien dans les 20 principales paires de villes du Canada ont fortement augmenté durant l'année. Ainsi, en comparant le quatrième trimestre de 1987 à celui de 1988, le nombre de vols directs a augmenté de 14 p. cent et le nombre de places disponibles de 24 p. cent.

Tableau 5.7

Services aériens offerts

Paires de villes	**Vols directs** Écart en % (diminution)	**Nombre de places** Écart en % (diminution)
Montréal-Toronto	1	25
Toronto-Vancouver	21	50
Ottawa-Toronto	(12)	10
Calgary-Toront	33	60
Calgary-Vancouver	116	14
Toronto-Winnipeg	30	18
Calgary-Edmonton	8	1
Edmonton-Toronto	27	61
Edmonton-Vancouver	14	1
Halifax-Toronto	13	21
Thunder Bay-Toronto	30	(7)
Vancouver-Winnipeg	0	3
Montréal-Vancouver	333	233
Halifax-Montréal	17	18
St. John's-Toronto	79	23
Kelowna-Vancouver	(10)	(13)
Calgary-Winnipeg	(18)	(13)
Ottawa-Vancouver	8	28
Toronto-Windsor	88	27
Halifax-Ottawa	15	13

Source : *Official Airline Guides.*

Les hausses les plus significatives ont été enregistrées sur des lignes comme Edmonton-Toronto, Calgary-Toronto, Montréal-Vancouver et Toronto-Vancouver, où les trois grands transporteurs ont augmenté la fréquence de leurs vols avec leurs nouveaux appareils de plus grosse capacité en l'occurrence, des Airbus 310 et des Boeing 767.

Le pourcentage des vols offerts au moyen d'avions à réaction dans les 20 principaux marchés a atteint plus de 86 p. cent, ce qui reflète non seulement l'intensification de la concurrence entre les grands transporteurs, mais aussi l'utilisation de petits avions à réaction par les transporteurs affiliés. D'ailleurs, en plus d'utiliser des avions à réaction sur des services locaux, certains transporteurs affiliés ont également ajouté des routes régionales plus longues à leurs réseaux et ont commencé à pénétrer les marchés interurbains à forte densité pour compléter les services réguliers de leurs sociétés-mères au moyen d'avions à réaction. Des exemples de cette tendance ont été observés avec les liaisons Toronto-Montréal et Montréal-Québec d'Inter-Canadien, les nouvelles liaisons d'Air Nova entre Halifax, Saint John, Montréal et Ottawa, et les liaisons entre Sault Ste. Marie et Toronto d'Air Ontario.

Selon l'enquête menée auprès des membres de l'Association des voyageurs de commerce du Canada et ceux de l'Alliance canadienne des associations touristiques, une amélioration des niveaux de service a généralement été observée dans tout le pays.

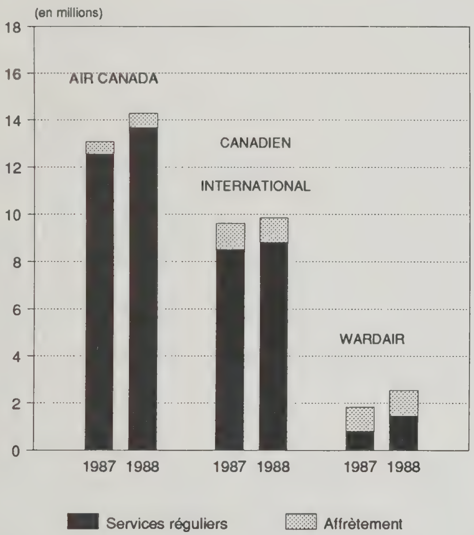
Provinces de l'Atlantique

L'étude d'un échantillon de paires de villes situées dans les provinces de l'Atlantique a permis de noter des augmentations de plus de 20 p. cent dans le nombre de vols directs et indirects ainsi qu'une tendance vers des services plus fréquents au moyen d'appareils plus petits à turbopropulsion. La croissance la plus significative a été enregistrée sur la ligne Saint John-Halifax, où le nombre de vols directs a augmenté de 51 p. cent et le nombre de places offertes de 30 p. cent.

Air Nova a ajouté à son réseau de destinations Fredericton, Québec, Montréal et Ottawa, tandis qu'Air Atlantic a ajouté des services vers Churchill Falls et Goose Bay; Inter-Canadien a aussi ajouté un service vers Charlo, Charlottetown, Chatham, Moncton et Saint John. Quatre transporteurs

La croissance du trafic ressort nettement des résultats de l'enquête menée auprès des membres de l'Association des voyageurs de commerce du Canada, qui démontrent que le nombre moyen de voyages effectués par les répondants a augmenté de plus de 10 p. cent en 1988 (graphique 5.3).

GRAPHIQUE 5.3
NOMBRE DE PASSAGERS TRANSPORTÉS



Source: Centre des statistiques de l'aviation.

Toronto demeure la plaque tournante des services réguliers du réseau de transport aérien du Canada puisqu'elle figure parmi sept des dix principales paires de villes. Les chiffres préliminaires démontrent que le trafic dans le couloir Montréal-Toronto a augmenté de 7,5 p. cent, ce qui a permis à Toronto de se maintenir au premier rang. Cependant, des augmentations beaucoup plus élevées, de l'ordre de 18 à 28 p. cent, ont été enregistrées sur les routes transcontinentales de Toronto-Vancouver, de Toronto-Calgary et d'Ottawa-Vancouver.

Le trafic généré par les services réguliers transfrontaliers (américains) et internationaux des grands transporteurs canadiens a augmenté de plus de 16 p. cent, atteignant 6,4 millions de passagers. Encore une fois, Toronto figure dans six des dix principales paires de villes transfrontalières, la liaison Toronto-New York occupant le premier rang.

Le trafic d'affrètement des trois grands transporteurs a augmenté de 3 p. cent, surtout sur les marchés transfrontaliers et internationaux.

Fret

Selon les chiffres préliminaires du premier trimestre de 1988, par rapport à la même période en 1987, le fret manutentionné aux 30 plus importants aéroports canadiens a augmenté de 15 p. cent. Air Canada continue de dominer ce marché totalisant 700 millions de dollars, mais elle a perdu du terrain en 1988, Canadien International ayant réalisé un gain de volume transporté de l'ordre de 40 p. cent à ce chapitre.

Tableau 5.6

Trafic de fret en 1988

	Fret transporté (en milliers de kg)	
	1988	Écart en %
Air Canada	247 130	(8,0)
Canadien International	134 074	40,8
Wardair	22 608	2,5

Source : Centre des statistiques de l'aviation.

En 1988, une étude des marchés interurbains par paires d'origines et de destinations a révélé qu'il y avait plus de transporteurs offrant plus de services vers plus de destinations selon le nombre total de vols et de places. Par rapport à 1987, le groupe d'Air Canada a augmenté le nombre de ses départs hebdomadaires réguliers de près de 19 p. cent, les hausses les plus importantes étant notées sur les marchés transfrontaliers et pour les services du Nord. Quant à Canadien International et ses affiliés, elle a augmenté ses services de façon plus remarquable, soit de plus de 28 p. cent, notamment sur les marchés intérieurs du Sud canadien. Pour ce qui est de Wardair, elle a plus que doublé le nombre de ses vols réguliers, tant intérieurs qu'internationaux.

Ce double phénomène d'expansion et de consolidation a eu pour effet d'instaurer une concurrence plus équitable entre les grands de l'industrie. La longue domination exercée par Air Canada a été érodée au point où les parts respectives du nombre de places offertes en service régulier par les groupes d'Air Canada et de Canadien International étaient presque identiques au quatrième trimestre de 1988, soit 43,4 et 43,9 p. cent respectivement. Quant à Wardair, sa part de 5,6 p. cent du marché était concentrée sur les routes interurbaines achalandées. La capacité de transport offerte par les autres indépendants a diminué et représentait 7,2 p. cent.

Air Canada a continué de dominer les marchés internationaux, notamment les marchés transfrontaliers, tandis que la capacité de service de Canadien International dans les régions du Nord a été presque le triple de celle de sa concurrente. Les deux groupes se sont partagés presque également le vaste marché intérieur du sud du Canada.

ACTIVITÉS DE L'INDUSTRIE

Trafic

La prospérité générale de l'économie canadienne en 1988, conjuguée à une concurrence toujours plus vive entre les sociétés aériennes, a favorisé une croissance importante du trafic aérien.

Passagers

En 1988, les trois grands transporteurs aériens ont affiché des gains importants de trafic, transportant un nombre record de passagers sur leurs vols réguliers. Toutefois, ces gains ont surtout été obtenus sur les marchés internationaux(tableau 5.5).

Tableau 5.5

Trafic de passagers en 1988

	Passagers (en milliers)		Km - Passagers (en millions)	
	1988	Écart en %	1988	Écart en %
Air Canada	13 680	8,9	22 813	8,8
Canadien International	8 813	3,6	18 018	16,4
Wardair	1 465	81,2	5 233	53,6

Source : Centre des statistiques de l'aviation.

La hausse du trafic a encore été plus prononcée chez les transporteurs affiliés et les services intérieurs de Wardair. Selon le nombre de places offertes sur les services réguliers, les chiffres sur le trafic réel n'étant pas disponibles, les transporteurs d'apport d'Air Canada ont déclaré des gains de près de 60 p. cent tandis que les chiffres des partenaires de Canadien International ont plus que doublé et ceux de Wardair, presque triplé. C'est au Québec et en Ontario que les gains ont été les plus élevés, suivi des provinces de l'Atlantique.

nouveaux transporteurs locaux ou « de créneaux » avaient fait leur entrée sur le marché. En 1988, sept nouveaux petits transporteurs indépendants ont établi des liaisons régulières, soit trois dans l'Atlantique et un respectivement au Québec, au Manitoba, en Colombie-Britannique et dans les Territoires du Nord-Ouest.

Concentration

Les consolidations qui se sont poursuivis dans l'industrie ont encore réduit la domination d'Air Canada et avivé la concurrence, tant sur les routes interurbaines achalandées que sur les marchés locaux.

Avec le mouvement de réforme du transport aérien lancé en 1984, l'industrie a fait l'objet de consolidations importantes, surtout avec Pacific Western Airlines se portant acquéreur des lignes aériennes Canadien Pacifique, qui avaient déjà racheté Eastern Provincial Airways et Nordair, et la création de deux grands réseaux de sociétés-mères et d'affiliés. Avec Wardair, les groupes d'Air Canada et de Canadien International assuraient 95 p. cent du transport régulier de passagers et récoltaient plus de 97 p. cent des revenus d'exploitation correspondants.

Toutefois, cette tendance n'a pas nécessairement réduit la concurrence. En effet, bon nombre de routes sont actuellement desservies par les deux groupes d'Air Canada et de Canadien International; les transporteurs régionaux affiliés qui se livrent concurrence afin de s'approprier le trafic local ou d'apport voient, elles aussi, apparaître sur leurs marchés un nombre croissant de petits transporteurs locaux. De plus, la présence de Wardair sur certaines des routes interurbaines achalandées a accentué la concurrence sur ces marchés.

Tableau 5.4

Capacité hebdomadaire des services réguliers en termes de places

Transporteur	Intérieur, Sud		Intérieur, Nord		Services transfrontaliers		Services internationaux		Total	
	1988	Écart en%	1988	Écart en%	1988	Écart en%	1988	Écart en%	1988	Écart en%
Air Canada	290 993	2,8	1 000	0,0	36 591	5,0	13 993	2,6	342 577	3,0
Affiliés	104 985	53,7	22 603	72,8	6 796	85,6	0	S.o.	134 384	58,0
Total	395 978	12,7	23 603	67,6	43 387	12,7	13 993	2,6	476 961	14,2
Canadien International	279 088	(7,8)	33 160	(17,8)	6 569	(33,2)	9 156	17,7	327 973	(9,0)
Affiliés	120 546	110,5	30 820	94,8	3 365	181,6	176	0,0	154 907	108,1
Total	399 634	11,1	63 980	14,0	9 934	(9,9)	9 332	17,3	482 880	11,0
Wardair	53 445	189,4	0	S.o.	471	(5,8)	7 258	152,7	61 174	180,1
Indépendants	43 919	(38,8)	31 093	2,5	2 475	(48,8)	1 570	96,5	79 057	(26,6)
Total	892 976	11,4	118 676	18,0	56 267	2,5	32 153	27,2	1 100 072	12,0

Remarque : Les chiffres entre parenthèses représentent une diminution.

Source : ***Official Airline Guides***

Air Canada et par les Lignes aériennes Canadien International. Ces groupes ont été constitués par voie d'acquisitions, de fusions et d'alliances permettant de consolider les services de transporteurs aériens nationaux, régionaux et locaux, et d'établir deux réseaux très concurrentiels à l'échelle nationale.

Ces deux groupes œuvrent sur des réseaux de service en étoile, ce qui signifie que leurs transporteurs affiliés organisent leurs vols à partir des régions éloignées de façon à assurer la liaison avec les services des sociétés-mères entre les grandes villes, celles-ci constituant les axes autour desquels s'articulent les services. Un tel système permet aux grands transporteurs d'exploiter leurs gros porteurs sur les routes interurbaines achalandées, les transporteurs affiliés étant chargés de les alimenter en trafic. En outre, ceci permet aux deux groupes de conserver leurs passagers le plus longtemps possible à l'intérieur de leurs réseaux respectifs, ce qui accroît leurs revenus.

En mars 1988, Air Canada a comblé une lacune de son réseau d'affiliés en inaugurant la société Air Alliance, qui assure des liaisons entre Montréal, Ottawa, Québec et Saguenay-Bagotville avec des appareils à turbopropulsion. En mai, elle a continué dans cette voie en acquerrant la majorité des actions de la société Northwest Territorial Airways, dont le rôle de transporteur d'apport se voyait ainsi confirmé après une évolution de plus d'un an en ce sens. Finalement, Air Canada a négocié une entente commerciale avec Air Toronto pour la prestation de services d'apport entre Toronto et sept villes du nord-est des États-Unis.

Transporteurs indépendants

Le nombre de transporteurs indépendants a grossi en 1988 avec l'arrivée de nouveaux fréteurs et de petits transporteurs aériens locaux; Wardair, First Air et City Express sont demeurés les transporteurs indépendants les plus importants.

Le plus important transporteur indépendant, Wardair[1], vient de compléter sa deuxième année comme prestataire de services intérieurs réguliers. Concentrant ses activités sur les routes interurbaines achalandées, la société a ajouté Ottawa à son réseau, lequel comprenait déjà Toronto, Montréal, Winnipeg, Edmonton, Calgary et Vancouver.

Wardair fournit des services internationaux à destination du Royaume-Uni et des Antilles. Durant 1988, elle est devenue le deuxième transporteur canadien désigné pour desservir Paris et les Pays-Bas. La société reste également présente sur ses marchés d'affrètement traditionnels : Californie, Hawaï, Floride, La Barbade et Francfort.

En 1988, First Air a amélioré ses services dans les régions du Nord en ajoutant des services de transport régulier par avion à réaction entre Ottawa et Iqaluit via Yellowknife, et en ajoutant Rankin Inlet à son réseau de 18 destinations. La liaison de Yellowknife fait directement concurrence aux services de Canadien International et Northwest Territorial Airways.

Outre son réseau de services réguliers dans le Nord, First Air a maintenu ses liaisons vers Mirabel et Boston à partir d'Ottawa. Elle a également exploité des services d'affrètement de passagers et de marchandises vers la Floride, les Antilles, le Mexique et l'Arctique.

City Express a ajouté à son réseau Toronto-Ottawa-Montréal de nouveaux services vers Québec, Sept-Îles et Wabush en plus d'une deuxième destination américaine, Rochester, dans l'État de New York, l'autre étant Newark, au New Jersey. En revanche, elle a interrompu ses services vers London, en Ontario. City Express a négocié une entente avec Wardair pour participer à son programme de grands voyageurs, mais en conservant son statut de transporteur indépendant.

Sur les marchés d'affrètement internationaux, les transporteurs établis, soit Nationair, Worldways, Air Transat et First Air, ont vu apparaître de nouveaux concurrents en 1988, ce qui a donné de nouveaux choix aux consommateurs et aux voyagistes. Les nouveaux fréteurs sont Vacationair, qui utilise des Boeing 737, Odyssey International et Air 2000, qui se servent de Boeing 757 ainsi que Points of Call, Minerve Canada et Holidair, qui utilisent tous trois des DC-8. Outre ses activités d'affrètement, Nationair a ajouté à sa liaison Montréal-Bruxelles un autre service régulier entre Hamilton et Londres (Gatwick).

L'évolution vers des réseaux en étoile pour alimenter le trafic a ouvert de nouveaux marchés aux petits transporteurs locaux; de 1984 à 1987, 27

1. Le 23 mars 1989, l'Office approuvait la proposition d'achat de Wardair Inc. par la société PWA. Le 24 avril 1989, le Bureau de la politique de concurrence (Consommation et Corporations Canada) approuvait la prise de contrôle.

GRAPHIQUE 5.2

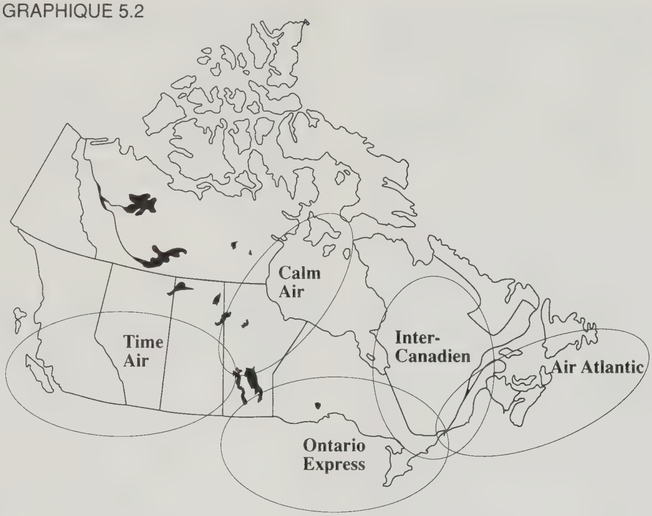


Tableau 5.3

Le groupe des Lignes aériennes Canadien International

Transporteur	Réseau	Flotte
Lignes aériennes Canadien International (PWA)	Destinations : les dix provinces; Territoires du Nord-Ouest, Yukon, États-Unis, Europe, Amérique centrale et du Sud, sud du Pacifique et Asie.	84 avions à réaction 3 avions non réactés
Air Atlantic (45 p. cent des actions)	Destinations : Terre-Neuve, Nouvelle-Écosse, Nouveau-Brunswick et Île-du-Prince-Édouard; Montréal, Ottawa et Boston.	7 avions non réactés
Inter-Canadien (35 p. cent des actions)	Destinations : Québec, Nouveau-Brunswick; Charlottetown, Ottawa et Toronto.	5 avions à réaction 11 avions non réactés
Ontario Express (49 p. cent des actions)	Destinations : Ontario; Brandon, Winnipeg et Pittsburgh.	14 avions non réactés
Calm Air (45 p. cent des actions)	Destinations : Manitoba et Territoires du Nord-Ouest.	15 avions non réactés
Time Air (46 p. cent des actions)	Destinations : Colombie-Britannique, Alberta, Saskatchewan; Winnipeg et Minneapolis.	3 avions à réaction 29 avions non réactés

GRAPHIQUE 5.1

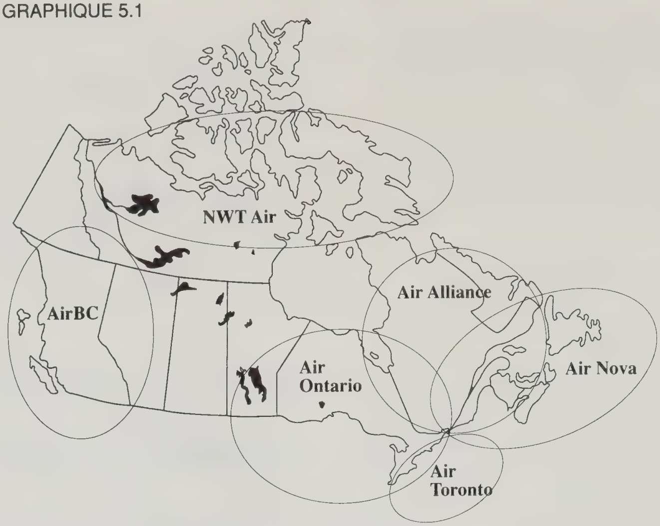


Tableau 5.2

Le groupe d'Air Canada

Transporteur	Réseau	Flotte
Air Canada	Destinations : les 10 provinces, États-Unis, Antilles, Europe et Asie du Sud-Est.	108 avions à réaction
Air Nova (49 p. cent des actions)	Destinations : Terre-Neuve, Nouvelle-Écosse, Île-du-Prince-Édouard, Nouveau-Brunswick; Montréal, Québec, Ottawa et Boston.	3 avions à réaction 7 avions non réactés
Air Alliance (75 p. cent des actions)	Destinations : Québec; Ottawa et Boston.	3 avions non réactés
Air Ontario (75 p. cent des actions)	Destinations : Ontario; Winnipeg, Montréal, Hartford, Minneapolis, Cleveland et Detroit.	1 avion à réaction 42 avions non réactés
Air Toronto (entente commerciale)	Services entre Toronto et sept villes du nord-est des États-Unis.	7 avions non réactés
AirBC (85 p. cent des actions)	Destinations : Colombie-Britannique, Alberta; Whitehorse et Seattle.	3 avions à réaction 19 avions non réactés
NWT Air (90 p. cent des actions)	Destinations : Territoires du Nord-Ouest; Edmonton et Winnipeg.	1 avion à réaction 7 avions non réactés

Les tarifs intérieurs ne doivent plus être déposés, mais seulement publiés. Le contrôle réglementaire des tarifs se limite aux routes du Nord et aux routes monopolistiques du Sud.

Des contrats confidentiels peuvent désormais être négociés entre les transporteurs et les voyageurs ou expéditeurs pour les services aériens intérieurs.

STRUCTURE DE L'INDUSTRIE

Transporteurs et permis

Le nombre de transporteurs aériens actifs a légèrement augmenté, sans la sortie en nombre des titulaires de permis du marché ni l'entrée en masse de nouveaux arrivants.

À la fin de 1988, près de 1 700 transporteurs détenaient plus de 3 100 permis d'exploitation de services aériens intérieurs ou internationaux.

Transporteurs

Au cours de l'année, l'Office a délivré des permis à 33 nouveaux transporteurs intérieurs, le plus important étant émis à la société Air Alliance. Dix-neuf d'entre eux ont été autorisés à offrir des services en provenance, à destination et à l'intérieur des régions du Nord canadien.

Depuis la fin de 1987, le nombre de transporteurs intérieurs autorisés est en fait passé de 1 250 à 775; cette diminution s'explique surtout par l'exclusion d'environ 350 transporteurs exploitant divers services spécialisés de transport aérien, notamment de services à contrat ou de formation au pilotage ne requerrant plus la détention d'un permis pour leur exploitation. De plus, 150 autres transporteurs, généralement inactifs, ne répondaient pas aux critères d'octroi d'un nouveau permis, soit prêt, apte, disposé et Canadien.

Enfin, 12 abandons volontaires de permis, une fusion et une faillite ont été enregistrés.

La nouvelle loi n'a presque pas modifié la réglementation des services aériens internationaux : 900 transporteurs aériens étrangers offraient leurs services en 1988, soit 35 de moins qu'en 1987. Environ 92 transporteurs étrangers n'ont pas répondu aux critères de renouvellement des permis tandis que 57 nouveaux transporteurs étrangers ont obtenu leur permis, 55 pour des services sur demande et deux autres pour des services réguliers.

Permis

La définition des permis a été profondément remaniée par la nouvelle loi, rendant impossible toute comparaison statistique avec les années précédentes. Voici la ventilation des permis en vigueur à la fin de 1988.

Tableau 5.1

Permis d'exploitation de services de transport aérien

Permis intérieurs		
Sud du Canada		782
Nord du Canada		
Services réguliers	102	
Services sur demande	747	849
Permis internationaux		
De transporteurs canadiens		
Services réguliers	87	
Services sur demande	445	532
De transporteurs étrangers		
Services réguliers	105	
Services sur demande	838	943
Total		3 106

Grands transporteurs et leurs affiliés

Ces dernières années, l'industrie du transport aérien a été caractérisée par l'émergence de deux grands groupes de transporteurs exploitant des réseaux très concurrentiels d'un bout à l'autre du pays.

Dans les années 1980, l'un des phénomènes les plus marquants de la déréglementation du transport aérien au Canada a été la création de deux grands groupes de transporteurs, dirigés par

Privatisation

En octobre 1988, le gouvernement a vendu au public 45 p. cent des actions d'Air Canada, le solde devant être mis en vente plus tard. Cette opération a rapporté près de 250 millions de dollars, qui serviront surtout à financer le vaste programme de renouvellement de la flotte de la société.

Aéroports

L'accroissement du niveau de trafic aérien a saturé les services au sol et de contrôle de la circulation aérienne des aéroports internationaux de Vancouver et Pearson à Toronto, provoquant des embouteillages et des retards. Au pire de cette situation, durant deux jours au mois de décembre, 111 vols à destination ou en provenance de l'aéroport Pearson ont été annulés, perturbant le trafic aérien d'un bout à l'autre du pays.

RÉFORME DE LA RÉGLEMENTATION

En 1988, avec la nouvelle loi nationale sur les transports, la déréglementation de facto *de l'industrie a été rendue officielle.*

Avant l'adoption de la *LNT*, la législation canadienne relative à la réglementation économique du transport aérien permettait d'exercer un contrôle serré de l'entrée et de la sortie du marché, des niveaux de service, des routes, de l'équipement d'exploitation, des tarifs de passagers et des taux de fret. De fait, durant les années précédant l'élaboration de la nouvelle loi, ces mécanismes de contrôle avaient été considérablement assouplis, mais la structure législative et réglementaire de base était demeurée en place.

En mai 1984, une nouvelle politique canadienne sur le transport aérien était annoncée visant à favoriser la concurrence dans l'industrie et à desserrer les contraintes réglementaires. Les principaux éléments de cette politique étaient les suivants :

- l'abolition des rôles définis pour les transporteurs;
- l'entrée plus facile sur les marchés;
- l'abolition des restrictions de permis relatives aux fréquences et aux types d'appareils;
- la liberté d'établissement de tarifs réduits.

Cependant, la réglementation devait être maintenue dans le Nord canadien afin de préserver la stabilité des réseaux de service encore fragiles.

En juillet 1985, le gouvernement publiait le livre blanc *Aller sans entraves*, dans lequel il énonçait une politique globale de transport renforçant l'initiative de 1984 et proposant une nouvelle réforme de la réglementation du transport aérien intérieur. Ensuite, une période de « déréglementation administrative » a suivi, caractérisée par une interprétation de plus en plus souple de textes réglementaires encore restrictifs. Les transporteurs aériens du Canada tirèrent avantage de cette libéralisation *de facto* et organisèrent leurs services en adoptant des stratégies concurrentielles qui modifiaient la structure de toute l'industrie.

La *Loi nationale de 1987 sur les transports*

Dès le 1er janvier 1988, avec la nouvelle loi, la déréglementation *de facto* de l'industrie a été rendue officielle. La plupart des mécanismes de réglementation économique ont été abolis dans les régions du sud du Canada et assouplis quelque peu dans les régions du Nord, en laissant pratiquement intacte la réglementation des services aériens internationaux.

L'entrée sur le marché n'est plus régi par le critère de « commodité et nécessité publiques ». Pour les régions du Sud, il faut que le candidat soit « prêt, apte et disposé », autrement dit qu'il détienne un certificat d'exploitation et une assurance-responsabilité adéquate, en plus d'être Canadien. Les permis délivrés pour la desserte des services à l'intérieur des régions du Sud ne peuvent plus être accompagnés de restrictions. Quant aux régions du Nord, quiconque veut s'opposer à une demande doit démontrer que le permis ne devrait pas être accordé.

La sortie du marché des services intérieurs est désormais assujettie au seul préavis public de 120 jours.

LES SERVICES AÉRIENS

FAITS SAILLANTS DE 1988

Réseaux de transporteurs affiliés

Air Canada a ajouté à son réseau d'affiliés les transporteurs Air Alliance, du Québec, et Northwest Territorial Airways, du Nord canadien. Les réseaux d'Air Canada et des Lignes aériennes Canadien International se livrent maintenant concurrence dans toutes les régions, offrant des services vers environ 150 destinations.

Tarifs

Les guerres de prix se sont poursuivies toute l'année, tant sur le marché des voyages d'affaires que touristiques, et ont entraîné l'introduction de certaines innovations, comme l'offre de rabais pour les achats en gros, en plus des campagnes devenues traditionnelles de soldes de places, de super-rabais et de programmes de grands voyageurs.

Situation financière des transporteurs

Les principaux transporteurs aériens ont acheminé plus de passagers et de marchandises sur de plus longues distances, mais la concurrence tarifaire a réduit leurs recettes unitaires, se répercutant sur leurs fonds provenant de l'exploitation et leurs bénéfices.

Renouvellement et expansion des flottes

En 1988, les trois grands transporteurs aériens du Canada ont commandé en tout 83 nouveaux appareils, totalisant plus de 4 milliards de dollars d'investissement, et elles ont pris des options sur 88 autres, ce qui pourrait hausser le total de leurs engagements à près de 8,7 milliards de dollars.

SITUATION FINANCIÈRE DES TRANSPORTEURS

Les chiffres disponibles pour 1988 démontrent qu'il y a eu détérioration de la situation financière des transporteurs.

Malgré une conjoncture économique assez favorable dans la plupart des régions, le bilan financier de l'industrie du camionnage n'a pas été aussi satisfaisant en 1988 que lors des cinq années précédentes. Le coefficient d'exploitation globale des camionneurs pour compte d'autrui, soit le rapport des dépenses sur les revenus d'exploitation, a été estimé à environ 0,98 pour le premier semestre de 1988, comparativement à un coefficient annuel légèrement inférieur à 0,96 en 1987 (graphique 4.12).

Environ 40 p. cent des transporteurs consultés ont estimé que leur situation financière s'était détériorée par rapport à l'année précédente. Dans certains cas, cette situation a été provoquée par des décisions de restructuration prises avant la réforme en l'occurrence, des acquisitions, des fusions et des expansions. Entre autres facteurs ayant contribué à la baisse des marges bénéficiaires, les transporteurs ont relevé la chute des revenus causée par la perte de trafic ainsi que l'érosion tarifaire en raison de l'intensification de la concurrence.

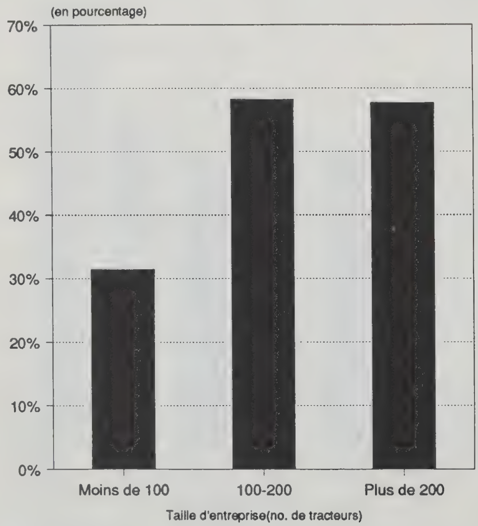
La proportion des transporteurs ayant connu une détérioration de leur situation financière a été deux fois plus élevée chez les moyens et les gros transporteurs que chez les petits (graphique 4.13).

Majoritaires à environ 60 p. cent, les transporteurs qui pensent avoir maintenu ou amélioré leur situation financière en 1988 ont expliqué ce fait par une efficacité accrue plutôt que par les tarifs. Une plus grande productivité a été réalisée grâce à une meilleure utilisation de l'équipement et une gestion plus efficace des coûts. Ces mêmes transporteurs ont affirmé que leur expansion sur de nouveaux marchés ou la réalisation d'économies d'échelle par la voie de fusions ou d'acquisitions leur ont permis de rationaliser davantage leurs activités.

Étant donné la baisse des marges bénéficiaires, les transporteurs ont dû adopter des systèmes plus efficaces de gestion des coûts et de tarification. Quelle que soit la taille de l'entreprise considérée, une plus grande importance a été accordée à l'utilisation de systèmes d'établissement des coûts en fonction de la segmentation des marchés et ce, afin de proposer des tarifs à la fois compétitifs et compensatoires.

Afin de demeurer concurrentiels, les transporteurs ont mis l'accent sur le marketing et sur l'adaptation des services aux besoins de l'expéditeur. Les grands transporteurs de fret général ont également cherché à se diversifier en créant des nouveaux services spécialisés, par exemple l'expédition de petits colis. Des transporteurs et des expéditeurs ont mentionné avoir pris des initiatives conjointes destinées à améliorer la logistique et la planification des services.

GRAPHIQUE 4.13: TRANSPORTEURS RAPPORTANT UNE DÉTÉRIORATION DE LEUR SITUATION FINANCIERE



Source: Examen de la situation des transporteurs par l'ONT.

Service

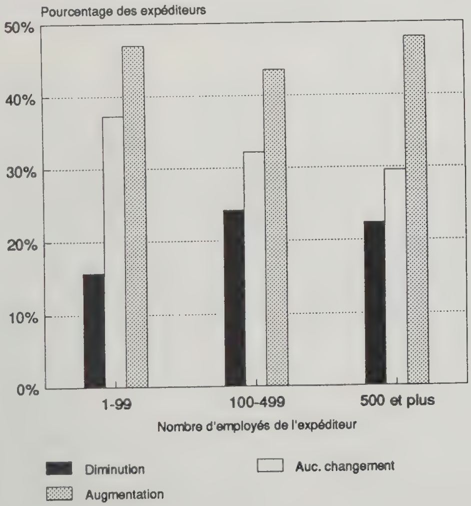
Les expéditeurs ont porté un jugement très positif sur la qualité et l'efficacité globales des services offerts par les transporteurs.

La majorité des expéditeurs ont déclaré que les services fournis par les camionneurs pour compte d'autrui se sont améliorés ou sont restés stables en 1988. Les expéditeurs ont évalué de manière très positive les divers critères de service en l'occurrence, la disponibilité et l'état de l'équipement, la fréquence des services, le temps de transit, le pistage des expéditions, la manutention des produits, le traitement des réclamations, aussi bien pour le camionnage de charges complètes que de lots brisés.

Selon les transporteurs consultés, les principaux facteurs soulevés lors des négociations avec les expéditeurs ont été les prix, le temps de transit, l'équipement, la sécurité et la logistique. Certes, les facteurs tarifaires semblent dominer les relations transporteurs-expéditeurs, mais les autres facteurs occupent une place de plus en plus importante.

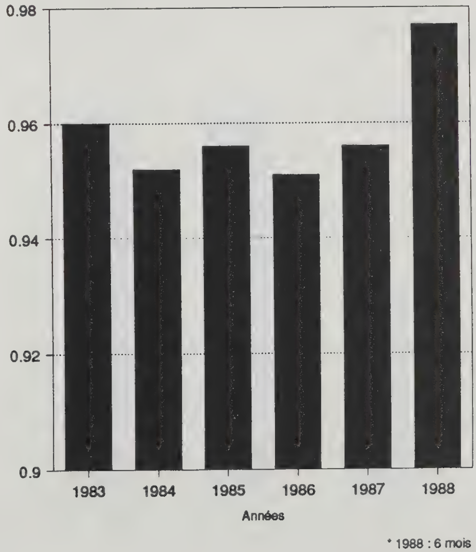
Dans le secteur du vrac, les expéditeurs ont mis surtout l'accent sur la configuration de l'équipement et la sécurité. Dans le secteur du fret général de charges complètes, le facteur prédominant est celui des coûts unitaires, ce qui pousse les transporteurs à utiliser l'équipement le plus adéquat. Dans le secteur du transport de lots brisés, il existe un vaste éventail d'options prix-services, c'est-à-dire que le service varie en fonction des besoins de l'expéditeur. L'exigence de services ponctuels et fiables dans le secteur des lots brisés a entraîné une certaine stabilisation de la structure tarifaire.

GRAPHIQUE 4.11: INCIDENCE DE LA RÉFORME SUR LES TARIFS DU CAMIONNAGE DE LOTS BRISÉS SELON LA TAILLE DE L'ENTREPRISE



Source: Enquête de l'ONT auprès des expéditeurs.

GRAPHIQUE 4.12: CAMIONNEURS POUR COMPTE D'AUTRUI: COEFFICIENTS D'EXPLOITATION



Source: Statistique Canada.

baisse des tarifs dans le transport de charges complètes (graphique 4.8). D'après 45 p. cent des expéditeurs, les tarifs sont restés les mêmes entre 1987 et 1988.

L'enquête menée auprès des expéditeurs a démontré que l'ampleur des augmentations ou des diminutions de tarifs en 1988 n'étaient pas fonction de la taille de l'expéditeur. Toutefois, toute proportion gardée, les gros expéditeurs ont été plus nombreux que les petits à rapporter une baisse de tarifs (graphique 4.9).

Les transporteurs ont soutenu que c'est surtout la vive concurrence provoquée par l'afflux de nouvelles firmes qui a exercé de fortes pressions à la baisse sur les tarifs du camionnage de charges complètes, notamment sur les importants marchés de fret général du Québec et de l'Ontario. Évoquant les avantages compétitifs dont bénéficient les nouveaux venus sur le marché, soit des frais généraux moins élevés par exemple, les transporteurs établis ont dû revoir leurs tarifs et mieux gérer leurs coûts pour conserver leur part du marché. Les secteurs spécialisés du camionnage de charges complètes, comme le vrac ou les transports réfrigérés, ont été moins touchés par la concurrence tarifaire. Dans le secteur du vrac liquide où les facteurs de sécurité sont très importants, malgré l'intensification de la concurrence dans certaines régions, très peu de cas de ristournes ont été rapportés.

Camionnage de lots brisés

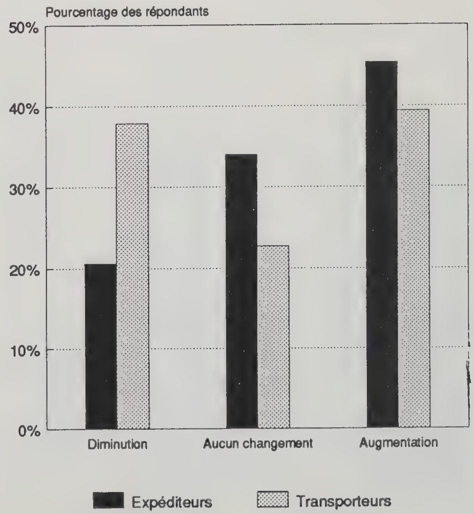
La plupart des expéditeurs ont dû faire face à des tarifs légèrement plus élevés ou semblables.

Dans le secteur du camionnage de lots brisés, les tarifs ont été plus stables, bien que des ristournes aient pu être offertes sur certains marchés. Ainsi, les transporteurs ontariens ont parlé de ristournes substantielles qu'ils ont dû offrir afin de préserver leur part du marché, notamment pour le trafic transfrontalier. La Commission des transports des provinces de l'Atlantique a signalé les fréquentes ristournes consenties pour le camionnage de lots brisés et de charges complètes entre les provinces de l'Atlantique et le nord-est des États-Unis. Une proportion élevée des expéditeurs, soit plus de 75 p. cent, n'ont noté aucun changement ou seulement une faible augmentation dans la tarification. Quant aux gros expéditeurs, ils ont été légèrement plus nombreux à rapporter des baisses de tarif (graphiques 4.10 et 4.11).

Quant aux hausses tarifaires proposées, 50 p. cent des expéditeurs ont signalé qu'ils avaient réussi à les réduire ou à les éliminer, soit en négociant, soit en utilisant les services d'une autre firme de camionnage.

En règle générale, les transporteurs ont constaté que les expéditeurs s'attendaient, du fait de la réforme, à ce que les tarifs baissent en 1988 autant dans le camionnage de charges complètes que de lots brisés. Ils ont rapporté en outre qu'un nombre croissant d'expéditeurs ont mis en place une procédure d'appel d'offres pour trouver le service de camionnage le plus apte à assumer une part importante de leurs expéditions.

GRAPHIQUE 4.10: INCIDENCE DE LA RÉFORME SUR LES TARIFS DU CAMIONNAGE DE LOTS BRISÉS



Source: Enquêtes de l'ONT auprès des expéditeurs et des transporteurs.

Ventilées d'après la taille des transporteurs, ce sont les firmes de camionnage de taille moyenne, exploitant de 100 à 199 tracteurs, qui ont été les moins nombreuses à exprimer un avis positif, 10 p. cent seulement disant avoir tiré profit de la réforme en 1988. C'est également ce groupe de transporteurs qui, à la suite d'une concurrence accrue, a été identifié comment étant le plus susceptible de perdre des parts de marché dans les secteurs du camionnage de charges complètes et de lots brisés. En comparaison, la moitié des transporteurs possédant de 50 à 99 tracteurs et un quart des grandes firmes de camionnage, de 200 tracteurs ou plus, ont porté un jugement positif sur la réforme (graphique 4.7).

Tarifs

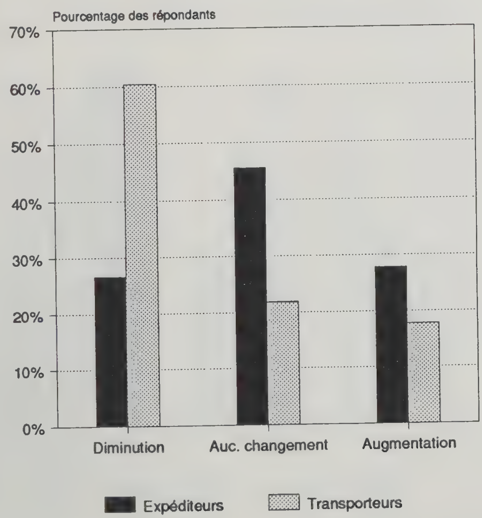
Avant d'examiner les changements tarifaires intervenus durant la première année d'application de la réforme, il convient de souligner que, même si la nouvelle législation a formellement aboli les contrôles tarifaires, les tarifs extra-provinciaux n'étaient auparavant assujettis qu'à un contrôle nominal. En effet, depuis 1985, la seule exigence portait sur le dépôt des tarifs dans certaines provinces. Par comparaison, avant la déréglementation aux États-Unis, les autorités appliquaient à la lettre les mécanismes de contrôle tarifaire.

Camionnage de charges complètes

En 1988, les tarifs du camionnage de charges complètes ont généralement subi des pressions à la baisse.

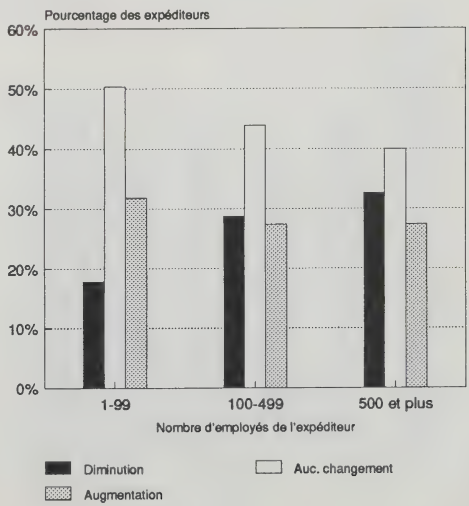
Selon 60 p. cent des entreprises de camionnage extra-provincial, les tarifs ont baissé en 1988. De même, 30 p. cent des expéditeurs ont connu une

GRAPHIQUE 4.8: INCIDENCE DE LA RÉFORME SUR LES TARIFS DU CAMIONNAGE DE CHARGES COMPLETES



Source: Enquêtes de l'ONT auprès des expéditeurs et des transporteurs.

GRAPHIQUE 4.9: INCIDENCE DE LA RÉFORME SUR LES TARIFS DU CAMIONNAGE DE CHARGES COMPLETES SELON LA TAILLE D'ENTREPRISE



Source: Enquête de l'ONT auprès des expéditeurs.

réglementaire de 1988. Selon eux, les droits d'exploitation détenus avant la réforme ont perdu de la valeur, ce qui leur a causé des difficultés.

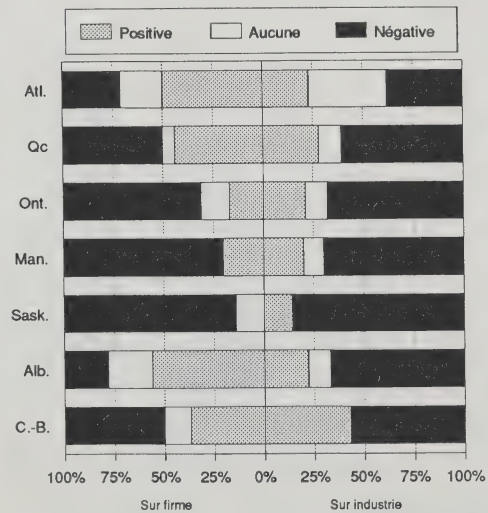
Il y a eu des différences régionales marquées dans l'évaluation par les transporteurs de l'incidence de la réforme sur leurs activités. En proportion, les réactions positives ont été plus nombreuses en Alberta, dans les provinces de l'Atlantique, au Québec et en Colombie-Britannique (graphique 4.6). Ces différences résultent probablement de la situation particulière de chaque province et de leur attitude à l'égard de l'accès au marché avant et après l'entrée en vigueur de la *LTR*.

Habitués depuis plusieurs années à travailler à l'intérieur de leur province dans un contexte déréglementé, les transporteurs de l'Alberta ont été satisfaits des possibilités qui leur étaient offertes d'étendre leurs activités à d'autres territoires. Au Québec, la mise en œuvre rapide des dispositions de la réforme a permis aux transporteurs provinciaux d'élargir et de consolider leurs opérations régionales.

C'est en Saskatchewan, en Ontario et au Manitoba que les transporteurs ont été les plus nombreux à porter un jugement négatif sur la réforme. Ceux de la Saskatchewan ne voyaient pas comment l'intensification de la concurrence, résultant de l'assouplissement des critères d'accès au marché provincial, pouvait leur être favorable puisque les marchés de l'Ontario et du Manitoba n'étaient pas facilement accessibles. Les inquiétudes exprimées par les transporteurs de l'Ontario portaient avant tout sur le statut incertain de la réforme réglementaire provinciale et sur les retards de traitement des dossiers à l'échelle provinciale. Les transporteurs de l'Ontario envisageaient également avec appréhension l'incidence à long terme d'un plus grand nombre de transporteurs américains sur les marchés canadiens.

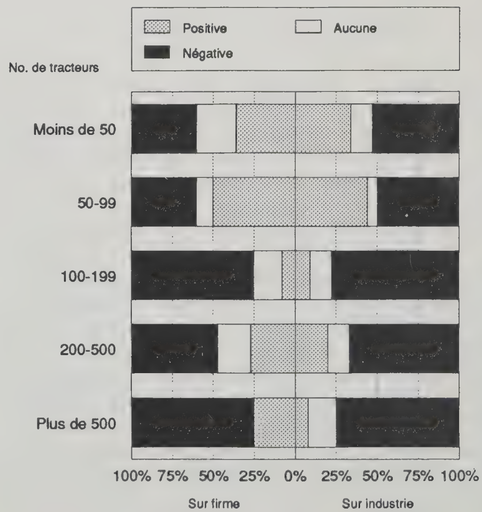
Dans trois des quatre régions identifiées au graphique 4.6 pour lesquelles la majorité des transporteurs ont jugé positive l'incidence de la réforme sur leurs activités, l'évaluation de celle-ci sur l'industrie même a été nettement moins favorable.

GRAPHIQUE 4.6: INCIDENCE DE LA RÉFORME SELON LES TRANSPORTEURS PAR PROVINCE OU RÉGION



Source : Examen de la situation des transporteurs par l'ONT.

GRAPHIQUE 4.7: INCIDENCE DE LA RÉFORME SELON LES TRANSPORTEURS PAR TAILLE D'ENTREPRISE



Source : Examen de la situation des transporteurs par l'ONT.

ACTIVITÉS DE CAMIONNAGE

Incidence de la réforme

Beaucoup de transporteurs et d'expéditeurs ont émis l'opinion qu'il était trop tôt pour évaluer l'incidence complète de la réforme.

L'enquête auprès des expéditeurs et les consultations menées auprès des transporteurs laissent croire qu'il y a eu une hausse générale du trafic routier en 1988 par rapport à l'année précédente. Plus de 50 p. cent des transporteurs ont rapporté une augmentation de leur volume transporté tandis que plus de 30 p. cent des expéditeurs ont signalé un accroissement de leur volume d'expéditions.

Pour la plupart des transporteurs, cette croissance a permis de contrecarrer les retombées des ajustements requis par un marché en pleine restructuration à la suite de la réforme. Au sujet de l'incidence des nouveaux critères d'accès au marché du camionnage extra-provincial, la majorité des expéditeurs ont déclaré soit que l'effet avait été positif, soit qu'il était trop tôt pour en juger.

Par ailleurs, dans leur évaluation de la situation, les transporteurs ont apporté une distinction entre le court et le long terme. En effet, plusieurs estiment que les effets réels se manifesteront au moment de l'entrée en vigueur des nouvelles dispositions relatives à la sécurité.

Dans toutes les provinces, les transporteurs ont soutenu que l'intensification de la concurrence et le manque d'uniformité au chapitre de l'application de la législation avaient eu certains effets sur leurs activités, du moins à court terme. La plupart prévoient une stabilisation de la situation à long terme, c'est-à-dire au bout de trois à cinq ans.

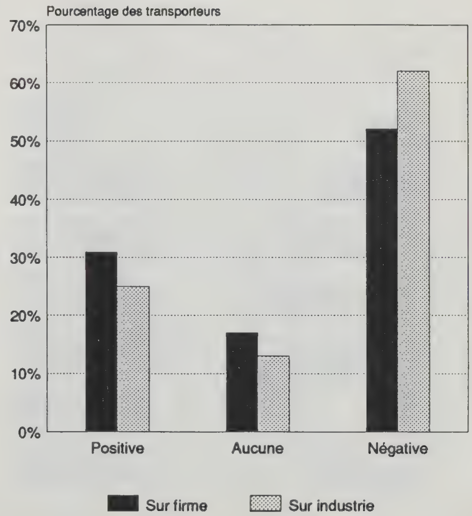
Globalement, environ un tiers des transporteurs consultés estiment que la nouvelle législation a eu des effets positifs sur leurs propres activités, mais la proportion tombe à environ un quart lorsque leur évaluation porte sur l'ensemble de l'industrie (graphique 4.5). Cette différence d'interprétation de l'incidence de la réforme sur les activités du répondant et de l'industrie en général découle des réactions négatives suscitées par l'application incohérente de la législation d'une province à l'autre. Cette réaction demeurait négative même chez les transporteurs qui avaient tiré avantage de la réforme.

Quant aux transporteurs pour lesquels l'impact de la réforme a été perçu de façon positive, ils l'attribuent aux possibilités d'accéder à de nouveaux ou de plus vastes marchés grâce à l'assouplissement des conditions d'entrée, de même qu'aux gains d'efficacité résultant du libre jeu des forces du marché.

Toutefois, la majorité des transporteurs ont exprimé un avis moins favorable sur l'incidence de la réforme en 1988, tant sur leurs activités que sur l'ensemble de l'industrie. En règle générale, ces opinions sont fondées sur le manque d'uniformité des provinces en matière de traitement des demandes de permis, de critères de charges et de dimensions ainsi que d'exécution des dispositions législatives.

Les transporteurs établis ont été particulièrement nombreux à souligner qu'il a été difficile de planifier leurs opérations et de s'adapter aux nouvelles conditions du marché dans le contexte

GRAPHIQUE 4.5: INCIDENCE DE LA RÉFORME SELON LES TRANSPORTEURS



Source: Enquête de l'ONT auprès des expéditeurs.

Sur le marché des lots brisés, les tarifs sont généralement restés plus stables que sur le marché des charges complètes, bien que des ristournes aient parfois été offertes sur certains itinéraires pour s'accaparer ou conserver une part de marché. Cette mesure visait à contrer l'expansion de transporteurs, aussi bien américains que canadiens, et la concurrence exercée par le secteur des charges complètes pour des lots groupés.

Quant au marché du transport de lots brisés par camion, les transporteurs ont mentionné que les vastes réseaux de terminaux des transporteurs américains leur donnent plus de latitude pour offrir un service ne nécessitant qu'un seul transporteur à l'intérieur d'un vaste territoire commercial. Étant concentré essentiellement dans le sud de l'Ontario et du Québec, la proximité relative du marché canadien de fret général par rapport à la frontière américaine a permis aux transporteurs américains d'intégrer leurs opérations intérieures et transfrontalières.

Les transporteurs canadiens s'inquiètent des possibilités de concurrence tarifaire soutenue de la part des grands transporteurs américains, surtout par l'offre de ristournes aux gros expéditeurs; ils estiment qu'il conviendrait d'harmoniser les régimes fiscaux des deux pays.

Dans le secteur des charges complètes, où l'efficacité dépend de l'équilibrage des charges à l'aller et au retour, l'importance relative des transporteurs canadiens sur le marché est déterminée par des questions de structure du trafic et de logistique. Les transporteurs canadiens affirment que leurs homologues américains peuvent tirer avantage du trafic intérieur américain pour équilibrer leurs charges dans les deux sens, puisqu'ils peuvent accéder aisément aux principaux marchés canadiens en raison de la proximité de ces derniers de la frontière. Face à cette situation, plusieurs firmes canadiennes de transport par camion ont utilisé plus fréquemment les services d'exploitants établis aux États-Unis ou ont mis sur pied leurs propres services dans ce pays pour desservir le marché transfrontalier.

Services privés de camionnage

Bien que les camionneurs pour compte d'autrui aient fait face à une concurrence plus vive de la part des camionneurs privés en 1988, leurs avis sont partagés quant aux effets à long terme de la réforme.

Au début de 1988, près du tiers des dépenses d'exploitation totales de l'industrie du camionnage provenaient des services offerts par les camionneurs privés. Ces derniers se concentrent principalement au Québec et en Ontario et offrent surtout leurs services au niveau local ou à l'intérieur des limites d'une province donnée.

Près de la moitié des transporteurs consultés ont confirmé la présence accrue des camionneurs privés dans le secteur du transport pour compte d'autrui, et près du tiers ont signalé la perte de certains contrats de transport de marchandises au profit des camionneurs privés. C'est le marché du fret général de charges complètes, surtout dans les provinces centrales et de l'Atlantique, qui a été le plus touché. En outre, les camionneurs pour compte d'autrui ont noté la possibilité d'une plus grande érosion de la situation tarifaire sur les marchés déjà très compétitifs, étant donné les efforts entrepris par les camionneurs privés afin d'obtenir des contrats leur évitant de revenir à vide.

En revanche, un tiers des camionneurs pour compte d'autrui ayant participé à l'enquête ne croient pas que les camionneurs privés seront en mesure de leur opposer une vive concurrence ou d'avoir des effets durables. Comme les services pour compte d'autrui sont plus compétitifs, affirment-ils, les camionneurs privés devront réduire leurs activités, surtout avec l'entrée en vigueur imminente de règlements de sécurité plus rigoureux.

L'enquête réalisée auprès des expéditeurs a cependant révélé qu'environ 18 p. cent de ceux qui possèdent leur propre service de camionnage ont également fait du camionnage inter-entreprises moyennant compensation en 1988. Par ailleurs, près de 30 p. cent des répondants ont mentionné avoir cherché à obtenir de nouveaux droits d'exploitation en 1988 ou qu'ils chercheraient à en obtenir dans les années à venir. Plus d'un expéditeur sur cinq possédant une flotte privée de camions a déclaré avoir augmenté la taille de celle-ci en 1988.

à la percée de transporteurs régionaux établis résultant de leur expansion des services offerts et des marchés desservis.

Malgré ces différences structurelles quant à l'origine de la concurrence, les transporteurs ont observé un niveau important de capacité excédentaire pour le transport de fret général de charges complètes et de lots brisés. À leur avis, l'offre fréquente de ristournes et l'absorption rapide des activités de Transport Route Canada confirment clairement ce fait.

Environ la moitié des transporteurs interviewés ont mentionné une augmentation de leur volume transporté. Dans la plupart des cas, le tonnage additionnel est imputable à l'expansion de leur marché ou à la prise de possession d'une part du marché d'un concurrent. Un petit nombre de transporteurs ont fait état d'une perte de trafic au profit du chemin de fer mais, dans la plupart des cas, il s'agissait de quantités relativement minimes par rapport à leur volume total. Certains transporteurs ont signalé que les sociétés ferroviaires ont parfois proposé des tarifs très compétitifs sur certains marchés fort achalandés de longue distance.

Environ un transporteur sur cinq a indiqué qu'il avait dû faire face à un niveau de concurrence accru de la part de transporteurs américains sur les marchés intérieurs et ce, autant dans le secteur des charges complètes que dans celui des lots brisés. Les transporteurs ayant rapporté une telle situation étaient surtout établis au Québec, en Ontario et au Manitoba.

Malgré cette présence accrue des transporteurs américains sur les marchés intérieurs, ces derniers n'ont pas connu une déstabilisation générale des services. Les transporteurs ayant acquis des droits d'exploitation plus étendus sont parvenus à rehausser leur propre position concurrentielle en reliant, de façon triangulaire, leurs services à partir des provinces centrales vers l'est ou vers l'ouest avec des services sur les marchés transfrontaliers.

Camionnage transfrontalier

Les firmes canadiennes de camionnage ont dû faire face à une concurrence plus vive de la part des transporteurs américains. Un certain nombre de transporteurs canadiens ont transféré au moins une partie de leurs activités aux États-Unis pour être plus compétitifs sur le marché transfrontalier.

Les enjeux des services transfrontaliers sont la compétitivité relative des transporteurs canadiens et les risques de pénétration accrue des transporteurs américains sur les marchés canadiens.

Quand la réforme de la législation est entrée en vigueur au Canada, en janvier 1988, plusieurs grands transporteurs américains exploitaient déjà des services de transport par camion au Canada, soit par le truchement de filiales déjà établies au pays ou par l'acquisition de transporteurs existants.

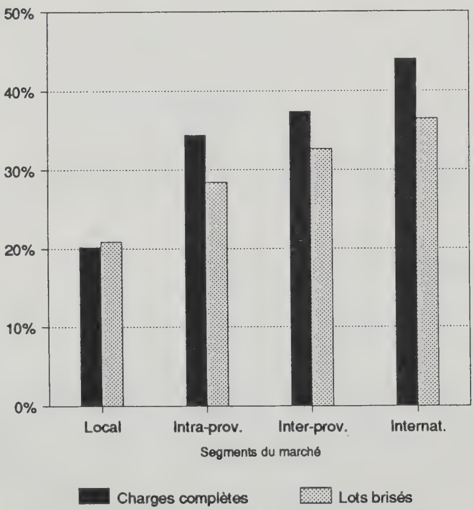
Près des deux tiers des transporteurs fournissant des services de transport transfrontaliers par camion ont déclaré qu'ils ont dû faire face à une concurrence plus vive de la part des transporteurs américains sur le marché transfrontalier. À leur avis, ce phénomène s'est surtout manifesté dans le secteur du fret général de charges complètes et de lots brisés, mais aussi dans d'autres secteurs plus spécialisés tels que le vrac liquide. Cependant, sur certains marchés, les transporteurs ont affirmé que la part de marché qu'ils ont perdue à cause de la concurrence de transporteurs américains a pu être compensée par une plus grande pénétration du marché. Par ailleurs, tous les marchés n'ont pas été touchés de la même manière; sur ceux de moindre densité (provinces de l'Atlantique et de l'Ouest), les transporteurs américains se sont surtout efforcés de préserver les arrangements conclus avec les firmes canadiennes permettant l'expédition par liaison inter-transporteurs.

Le secteur des services de camionnage de charges complètes a été caractérisé par une concurrence tarifaire générale venant des nouvelles firmes, soit canadiennes ou américaines. Les nouvelles firmes américaines sont généralement des transporteurs régionaux établis dans les États frontaliers et plus petits que les transporteurs américains œuvrant déjà au Canada.

Sur les marchés desservis par des transporteurs extra-provinciaux, c'est-à-dire tous sauf les marchés locaux, le pourcentage d'expéditeurs ayant noté une augmentation du niveau de concurrence est deux fois plus élevé que sur les marchés locaux. La proportion la plus forte parmi ceux qui ont exprimé cet avis a été observée dans le secteur des services internationaux, suivi de ceux des services interprovinciaux et intraprovinciaux (graphique 4.3).

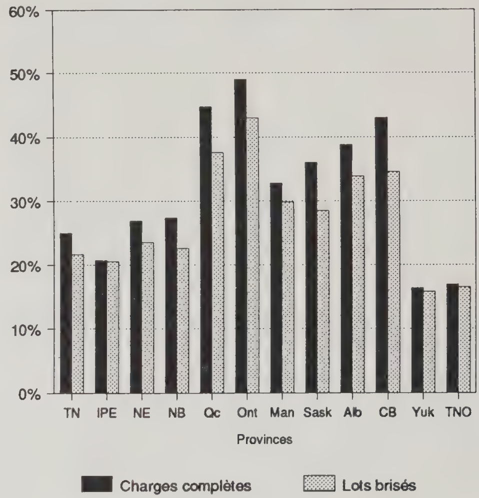
Sur la scène régionale, l'augmentation de la concurrence a été plus importante dans les provinces centrales, où près de la moitié des expéditeurs ont signalé une plus forte concurrence dans le secteur des services de camionnage de charges complètes, suivi des expéditeurs des provinces de l'Ouest et de l'Atlantique de même que des Territoires. Dans toutes ces régions, l'intensification de la concurrence constatée par les expéditeurs est généralement plus forte dans les services de camionnage de charges complètes que de lots brisés (graphique 4.4).

GRAPHIQUE 4.3: DEGRÉ DE CONCURRENCE DANS LE CAMIONNAGE-POURCENTAGE D'EXPÉDITEURS AYANT CONSTATÉ UNE AUGMENTATION



Source: Enquête de l'ONT auprès des expéditeurs.

GRAPHIQUE 4.4: DEGRÉ DE CONCURRENCE DANS LE CAMIONNAGE- POURCENTAGE D'EXPÉDITEURS AYANT CONSTATÉ UNE AUGMENTATION



Note : Services de comionnage locaux exclus
Source : Enquête de l'ONT auprès des expéditeurs.

Environ un tiers des expéditeurs ayant participé à l'enquête ont signalé une augmentation de leur utilisation des services de camionnage. De plus, lorsqu'il a été possible d'identifier du trafic transféré entre le camionnage et d'autres modes de transport, une utilisation accrue marginale des services de transport par camion a été rapportée.

Opinion des transporteurs

Les transporteurs ont signalé l'arrivée de nouveaux exploitants sur le marché des charges complètes et une percée des transporteurs régionaux sur le marché des lots brisés du fait de l'expansion des services offerts et des marchés desservis.

Les transporteurs ont confirmé l'observation faite par les expéditeurs au sujet de l'évolution de la concurrence. Sur le marché des charges complètes, cette situation résulte de l'arrivée de nouveaux exploitants, tandis que pour le secteur du transport de lots brisés, elle peut être attribuée

Dans un même temps, l'assouplissement des critères d'entrée a permis aux petits exploitants, y compris les voituriers-remorqueurs, d'accéder plus facilement au secteur des services de transport pour charges complètes de marchandises générales et de marchandises nommées ou pour des expéditeurs.

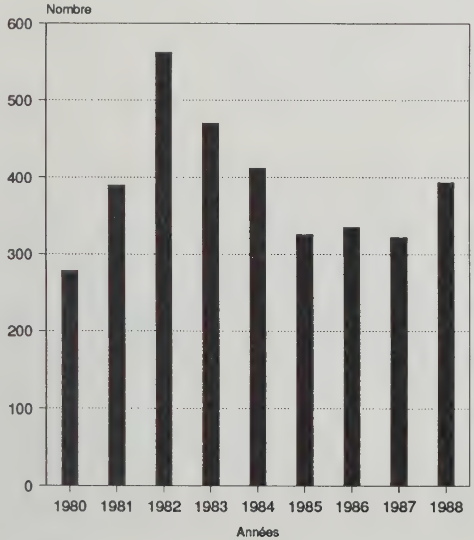
Sortie du marché

Le nombre de consolidations et de faillites dans l'industrie du camionnage est demeuré plutôt stable.

En 1988, l'incidence des consolidations et des faillites sur la participation des transporteurs sur le marché semblait conforme aux tendances observées ces dernières années.

Les transporteurs ont fait état d'une activité soutenue de fusions et d'acquisitions de firmes dans l'industrie du camionnage dans toutes les régions, le cas le plus notable ayant été l'acquisition de CF Kingsway Inc., de Toronto, par Federal Industries, de Winnipeg, qui contrôlait déjà Motorways Inc.

GRAPHIQUE 4.2: NOMBRE DE FAILLITES DANS L'INDUSTRIE DU CAMIONNAGE DE 1980 A 1988



Source: Consommation et corporations Canada.

Sur la question de faillite, les transporteurs ont préféré parler de facteurs endémiques pouvant rendre une firme vulnérable plutôt que d'une taille particulière de firmes de services de camionnage plus susceptible à la faillite ou à une prise de contrôle. Ainsi, une gestion déficiente des coûts d'exploitation et une faible stratégie de tarification sont considérées comme les causes premières de faillite dans l'industrie du camionnage.

Le nombre de cas de faillite signalés en 1988 se situe à 394 dans l'industrie du camionnage, soit un nombre légèrement supérieur à celui observé au cours des trois dernières années, mais inférieur à ceux enregistrés durant les années de récession de 1982 à 1984 (graphique 4.2).

Dans le secteur du camionnage, ce sont les petites firmes exploitant des services de transport locaux, soit de transport de biens, des déménagements ou de transport de bétail, qui ont connu le plus grand nombre de faillites en 1988. Cependant, il existe une exception notable, en l'occurrence Transport Route Canada, qui a soumis une proposition de faillite au cours de l'année sans pour autant être considérée officiellement en faillite.

Quatre-vingt-dix pour cent des sociétés de camionnage ayant fait faillite avaient un passif inférieur à 200 000 $ et près de 70 p. cent, un passif inférieur à 100 000 $. Seulement cinq faillites concernaient des entreprises ayant un passif de plus d'un demi- million de dollars, soit deux en Ontario, deux en Alberta et une en Colombie-Britannique.

CONCURRENCE

Opinion des expéditeurs

Les expéditeurs ont noté un accroissement dans le nombre de transporteurs se livrant concurrence pour leur trafic.

La majorité des expéditeurs ont fait état d'une augmentation dans le nombre de firmes de camionnage se livrant concurrence pour leur trafic.

les plus touchés. La concurrence dans le secteur des services de camionnage de charges complètes et les initiatives prises par les expéditeurs pour consolider leurs expéditions ont amené du trafic de lots brisés vers les services de camionnage de charges complètes. De plus, les transporteurs de charges de lots brisés, qui se fiaient sur du trafic de charges complètes pour leurs voyages de retour, font face à une plus grande concurrence de la part des transporteurs de charges complètes. Par contre, le trafic de base pour les transporteurs de charges complètes est érodé par la concurrence exercée par les nouveaux arrivants locaux, ainsi que par les besoins de charges de retour des transporteurs régionaux et internationaux souhaitant étendre la portée de leurs services.

Comme aux États-Unis, le besoin pour les transporteurs de marchandises générales d'augmenter leur efficacité sur les marchés intérieurs et transfrontaliers va probablement entraîner une plus grande spécialisation dans les services de camionnage de charges complètes et de lots brisés. Ceci pourrait modifier la structure traditionnelle des expéditions de lots brisés vers l'est et vers l'ouest à partir des provinces centrales en permettant des charges complètes de produits sur les voyages de retour. Selon des estimations, environ deux tiers du trafic en provenance des provinces centrales est constitué de charges de lots brisés et 80 p. cent du trafic vers les provinces centrales, de charges complètes.

Voituriers-remorqueurs

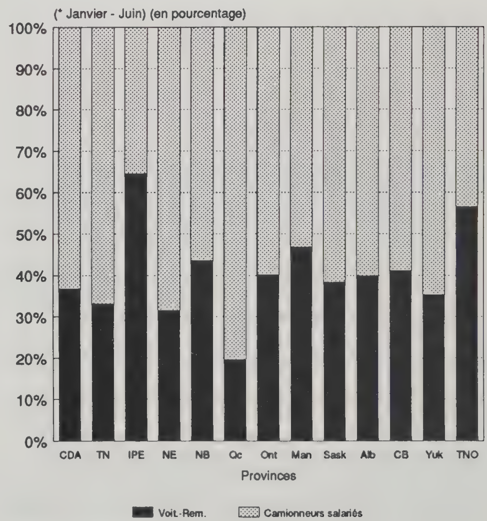
La tendance vers une plus grande utilisation des voituriers-remorqueurs s'est maintenue en 1988.

Le processus de rationalisation et d'expansion des marchés, engagé même avant la réforme de la législation, a coïncidé avec le recours de plus en plus fréquent aux services de voituriers-remorqueurs. Mesurée selon le pourcentage des dépenses totales d'exploitation des transporteurs, l'importance relative des voituriers-remorqueurs au début de 1988 avait augmenté de 40 p. cent par rapport à 1980.

Pendant la première moitié de 1988, environ 38 p. cent des distances totales parcourues dans cette industrie l'avaient été par des voituriers-remorqueurs et le reste par des camionneurs salariés. Le degré d'utilisation des services des voituriers-remorqueurs varie selon la province domiciliaire du transporteur (graphique 4.1). Ainsi, l'importance des voituriers-remorqueurs travaillant pour des transporteurs établis au Manitoba et dans les provinces de l'Atlantique est plus élevé que la moyenne nationale; par contre, pour les transporteurs résidant au Québec, leur importance équivaut à environ la moitié de la moyenne nationale.

De même, près de 40 p. cent des tracteurs exploités par les transporteurs ayant participé à l'enquête appartiennent à des voituriers-remorqueurs ou sont loués par eux. Devant faire preuve de souplesse devant l'expansion et la restructuration du marché, des transporteurs de presque toutes les provinces ont déjà fait état de cette tendance vers une utilisation de plus en plus fréquente de voituriers-remorqueurs.

GRAPHIQUE 4.1: VENTILATION DES DISTANCES PARCOURUES PAR LES CAMIONNEURS SALARIÉS ET LES VOITURIERS-REMORQUEURS EN 1988*



Voit.-.Rem.: voituriers-remorqueurs
Source: Statistique Canada.

Ontario, opposant le ministère provincial des Transports à la Commission des transports routiers de l'Ontario, a causé des retards importants dans le traitement des dossiers de demandes de permis.

Les transporteurs consultés dans le cadre de cet examen ont affirmé que les différences de procédures administratives d'une province à l'autre, pour le traitement des demandes de permis, ont fait du processus de demande un exercice coûteux, laborieux et incohérent.

STRUCTURE DE L'INDUSTRIE

Les changements structurels observés en 1988 ont confirmé les tendances des dernières années.

Certaines des tendances fondamentales et des changements structurels constatés durant la première année de transition constituent le prolongement d'une évolution qui avait commencé avant l'adoption de la réforme réglementaire.

En 1986 et 1987, les fusions, les expansions, les acquisitions et les mesures de rationalisation des opérations se sont multipliées à mesure que se précisaient l'échéancier et les paramètres de la nouvelle législation. Les transporteurs déjà établis demandèrent des droits d'exploitation plus étendus pour être certains d'avoir en 1988 la structure de fonctionnement souhaitée.

Entrée et rationalisation

En 1988, l'industrie a été marquée par des expansions, des consolidations et l'arrivée de nouveaux exploitants.

Même si les transporteurs avaient déjà pris des mesures pour consolider leurs positions respectives avant la réforme de la réglementation, l'assouplissement des critères d'entrée sur le marché a entraîné l'arrivée de nouveaux exploitants. Cela a notamment été le cas dans le secteur des services de camionnage de charges complètes, où le seuil d'investissement minimum initial est relativement peu élevé, sauf pour certaines activités spécialisées, comme le transport de vrac liquide. Ce nombre accru de nouveaux exploitants est confirmé par le nombre de nouvelles demandes approuvées par les autorités provinciales, ainsi que par la hausse du « niveau de service disponible » signalée par les expéditeurs.

Quant au marché des services de lots brisés, qui exige des investissements initiaux plus substantiels et dont les frais fixes généraux sont plus élevés du fait des infrastructures terminales, il ne semble pas y avoir eu un nombre appréciable de nouveaux arrivants. Par contre, l'expansion des opérations de firmes existantes ou de celles nouvellement consolidées a également permis de raviver la concurrence dans ce secteur. Malgré des mesures de rationalisation et de consolidation des parcours entraînant l'abandon de certains marchés par certains transporteurs, cela n'a pas eu pour effet de réduire les services offerts. L'accroissement intra et inter-régional du champ d'activité des transporteurs a relevé le « niveau de service disponible » pour les expéditeurs.

Les consolidations n'ont pas été restreintes au marché des services de lots brisés, auquel cas l'objectif fondamental d'une telle action est la recherche d'économies d'échelle et la desserte de marchés plus étendus. Elles ont aussi été observées dans le secteur des services de camionnage de charges complètes, où elles permettent de mieux équilibrer les flux de trafic. Les consolidations et les changements apportés aux itinéraires des firmes ont réduit l'incidence du recours aux services nécessitant entre les régions plus d'un transporteur pour se rendre d'un point de départ à un point d'arrivée. De nouveaux arrangements ont permis aux transporteurs locaux de tirer profit des besoins en correspondance des transporteurs cherchant à étendre leurs services dans de nouvelles régions.

Changements structurels

L'arrivée de nouveaux exploitants et l'élargissement des droits d'exploitation des transporteurs établis sont en train de modifier la desserte du trafic.

Les stratégies et les arrangements commerciaux des nouveaux transporteurs ont modifié la relation entre les deux types de service de l'industrie du camionnage, c'est-à-dire de charges complètes et de lots brisés. Ce sont les transporteurs fournissant ces deux types de service qui ont été

réforme, un tiers des transporteurs ont jugé que son incidence avait été positive, mais la majorité l'ont jugé moins favorablement, essentiellement à cause des différences d'interprétation de la législation et d'application des procédures d'une province à l'autre.

Tarifs

Les expéditeurs et les transporteurs ont signalé que les tarifs des services de camionnage de charges complètes avaient baissé, tandis que ceux des services de camionnage de lots brisés étaient demeurés plus stables tout en étant accompagnés à l'occasion de ristournes.

Situation financière des transporteurs

Les chiffres disponibles démontrent que la situation financière des transporteurs a été touchée en cette période de transition.

RÉFORME DE LA RÉGLEMENTATION

Durant la première année de réforme de la réglementation, la nouvelle législation a fait l'objet d'interprétations très variées de la part des organismes provinciaux de réglementation.

Le 1er janvier 1988 marquait l'instauration d'une nouvelle structure nationale de réglementation des services extra-provinciaux de camionnage, c'est-à-dire des camionneurs opérant au-delà des limites d'une province ou d'un territoire, par exemple entre deux provinces ou entre le Canada et les États-Unis. Établie par la *Loi de 1987 sur les transports routiers (LTR),* cette nouvelle structure de réglementation est consécutive à un protocole d'entente signé en 1985 entre les gouvernements fédéral et provinciaux. Ses objectifs fondamentaux relativement aux services extra-provinciaux de camionnage sont les suivants :

- assouplir les règlements relatifs à l'entrée sur le marché et abolir tout contrôle tarifaire;
- favoriser, sous délégation fédérale, une réglementation nationale uniforme de l'entrée sur le marché par les provinces;
- réglementer de manière plus efficace la sécurité des services relevant des pouvoirs fédéraux.

La mise en œuvre de la nouvelle réglementation relative à l'entrée sur le marché comprend deux étapes :

- Depuis le 1er janvier 1988, le critère de « commodité et nécessité publiques » a été remplacé par un critère « d'aptitude » et un critère d'intérêt public « à fardeau renversé » selon lequel l'opposant à l'octroi d'un permis d'exploitation doit assumer le fardeau de la preuve;
- Le 1er janvier 1993, le critère d'intérêt public disparaîtra, ce qui signifie que le seul critère de délivrance d'un permis d'exploitation à une entreprise de services extra-provinciaux de camionnage sera celui de « l'aptitude ». Dès lors, les permis existants ne seront plus assujettis à aucune contrainte relative aux parcours autorisés ou aux marchandises pouvant être transportées. L'abolition de la clause du « fardeau renversé » est conditionnelle à un examen de la situation par le ministre des Transports pour déterminer s'il y aurait lieu de prolonger la période transitoire.

À l'automne de 1987, la plupart des provinces sont parvenues à une entente générale sur l'adoption de lignes directrices communes pour l'application de normes d'accès au marché. En septembre 1988, le Conseil des ministres responsables des transports et de la sécurité routière a réaffirmé la nécessité de se fixer l'objectif d'uniformiser les procédures d'une juridiction à l'autre pour le traitement des demandes de permis. Il s'ensuivit des lignes directrices émises par le ministre fédéral des Transports au sujet du critère « d'intérêt public ». Toutefois, la première année de la période de transition a été marquée par d'importantes différences d'interprétation de la nouvelle législation par les organismes provinciaux. Par exemple, alors que le Québec et l'Alberta appliquaient une politique assez globale et libérale, le Nouveau-Brunswick et le Manitoba s'en tenaient à une approche plus discrétionnaire.

Dans certaines provinces, les transporteurs en ont appelé devant les tribunaux de l'interprétation de la *LTR* par les organismes chargés de la délivrance des permis. Un différend légal au sujet de l'organisme habilité à émettre des permis en

LES SERVICES DE CAMIONNAGE

FAITS SAILLANTS DE 1988

Mise en application de la législation

La nouvelle législation a fait l'objet d'interprétations très variées de la part des organismes provinciaux de réglementation.

Structure

Les transporteurs ont poursuivi leur politique de rationalisation et de consolidation axées sur le long terme visant à relever les défis et à exploiter les débouchés d'un marché en pleine transformation.

La tendance vers les consolidations et les faillites n'a presque pas changé en 1988. Il y a eu cependant une faillite majeure, celle de Transport Route Canada, ainsi qu'une prise de contrôle importante, celle de CF Kingsway par Federal Industries.

Concurrence

Les expéditeurs et les transporteurs ont noté une concurrence accrue sur les marchés des services de camionnage de charges complètes et de lots brisés. Cet accroissement de concurrence a été observé sur tous les marchés intérieurs et transfrontaliers.

Incidence de la législation

La grande majorité des expéditeurs ont soutenu que la nouvelle législation avait eu des retombées positives ou que la réforme était trop récente pour juger de son impact.

Pour les transporteurs, l'incidence à long terme de la législation sera plus apparente lorsque toutes les dispositions du *Code national de sécurité* entreront en vigueur. Au terme de cette première année de

Les conclusions suivantes ressortent de la consultation de l'Office :

> Les parties les plus directement touchées (expéditeurs et transporteurs) s'opposent à tout changement à la Loi modifiant les dispositions relatives à l'abandon de lignes.
>
> Certaines provinces ont soutenu qu'il conviendrait d'élaborer une nouvelle politique fédérale-provinciale liée au réseau routier.
>
> Toutes les parties ont souligné l'importance d'octroyer des crédits de transition, au titre de l'article 175 de la Loi, pour venir en aide à ceux touchés par les abandons de lignes.
>
> Les intervenants ont convenu qu'il est peu probable que des sociétés ferroviaires locales soient mises sur pied sans l'aide du gouvernement fédéral et des grandes sociétés ferroviaires.
>
> Les critères proposés pour identifier les lignes devant faire partie d'un réseau ferroviaire essentiel concordent dans l'ensemble avec ceux établis par les dispositions de la *LNT*.

pratique ou économique par d'autres transporteurs ou d'autres modes de transport;

— lignes desservant des régions forestières ou minières ayant un potentiel de mise en valeur *clairement identifié* et qui sont totalement tributaires de l'existence d'un service ferroviaire;

— lignes desservant les ports nationaux;

— lignes répondant à des besoins de développement industriel *clairement identifiés*, par exemple pour lesquels des entreprises tributaires du rail ont pris de récents engagements financiers entraînant des coûts irrécupérables;

— lignes nécessaires pour garantir une concurrence efficace en matière de transport;

— lignes des provinces de l'Atlantique nécessaires pour maintenir une base d'établissement des taux de fret à Terre-Neuve.

- **Procédures suggérées**

— L'Office devrait exercer plus vigoureusement ses pouvoirs discrétionnaires pour envisager des regroupements de lignes et formuler des recommandations sur l'utilisation future des lignes dont l'abandon est proposé.

— L'Office devrait faire des efforts plus soutenus pour diffuser de l'information sur le processus d'abandon et pour examiner les options disponibles avec les parties touchées par les demandes.

— Les transporteurs ferroviaires et les expéditeurs ont insisté sur le fait qu'il ne faut apporter aux critères aucune modification risquant de changer les délais actuellement établis par la *LNT* pour le processus décisionnel de l'Office, et que la rationalisation accélérée du réseau ferroviaire est essentielle à l'allègement des coûts de son service ferroviaire.

- **Politiques suggérées**

— Tous les intervenants consultés ont cherché à savoir quand et comment des crédits seront consentis pour mettre en œuvre les dispositions de la LNT destinées à venir en aide aux groupes directement touchés et quels en seront les montants. L'octroi de ces crédits de transition a été qualifié d'urgent et de vital.

— Comme le réseau ferroviaire est sous compétence fédérale et le réseau routier, sous compétence provinciale, il est nécessaire d'élaborer une politique des transports intégrée afin d'éviter toute contradiction entre les décisions respectives des deux niveaux de gouvernement. En règle générale, les décisions relatives aux réseaux ferroviaire et routier sont prises par des entités différentes, ce qui ne favorise pas toujours la meilleure utilisation possible de ressources limitées, et entraînent parfois des coûts globaux plus élevés que nécessaire. Les sociétés ferroviaires ont affirmé que les politiques gouvernementales actuelles contreviennent aux lois du marché et provoquent artificiellement des transferts de trafic du rail vers la route.

— Afin de favoriser la mise sur pied de sociétés ferroviaires d'intérêt local comme solution de rechange à l'abandon de certaines lignes, il faudrait envisager des mesures additionnelles telles que des crédits publics de premier établissement et des subventions d'exploitation, des modifications à la législation du travail de même que le développement, au Canada, de compétences appropriées de gestion pour de telles opérations.

— Les provinces de l'Ouest ont demandé que des politiques comparables d'aide et de rationalisation soient élaborées lorsque les lignes protégées en vertu de la *Loi sur le transport du grain de l'Ouest* ne le seront plus.

reportait le délai de décision en 1989, tandis que les demandes de réexamen n'appelaient pas de décision avant 1989 ou plus tard. L'Office a rendu des décisions sur 20 des 43 demandes. Certains des 23 dossiers en attente concernent des demandes de réexamen qui ont été reportées à 1989 de façon à permettre des regroupements géographiques de lignes. L'Office estime que la plupart des retards seront réglés d'ici au milieu de 1989.

Finalement, l'Office a demandé à 15 sociétés ferroviaires leurs projets d'abandon de lignes en 1989. Le CN et le CP ont été les seuls à soumettre de tels projets, les autres sociétés indiquant qu'elles ne présenteraient aucune demande de cette nature en 1989. Le CN a l'intention de soumettre, en 1989, 36 demandes concernant 574 milles de lignes ferroviaires et le CP, 29 demandes concernant 732 milles de lignes ferroviaires.

Demande ministérielle

« Un réseau ferroviaire essentiel est une cible mouvante ... »

Le 17 octobre 1988, M. Benoît Bouchard, ministre des Transports, demandait à l'Office d'effectuer, dans le cadre de son examen de 1988 du réseau de transport et, conformément à l'article 267 de la *LNT*, un examen des critères pouvant être utilisés dans l'identification des réseaux ferroviaires jugés essentiels au développement économique de n'importe quelle région donnée au Canada. Afin de répondre à cette demande, l'Office a consulté les provinces, les expéditeurs, les transporteurs et les autres parties intéressées. Voici le résumé de ces consultations.

En général, les intervenants sont d'avis que le réseau ferroviaire canadien comprend des lignes dont l'utilisation ne peut justifier le maintien d'opérations ferroviaires et que l'abandon de lignes non essentielles est nécessaire pour assurer un réseau ferroviaire viable. Un réseau ferroviaire essentiel serait celui qui permettrait le transport, de façon rentable et concurrentielle, du trafic actuel et futur. Les critères suggérés afin d'identifier les lignes particulières à ce réseau correspondaient essentiellement à ceux inclus dans les dispositions de la *LNT*.

Par contre, des différences marquées d'opinion ont été constatées en ce qui a trait au remaniement éventuel de la *LNT*. Les intervenants qui utilisent quotidiennement le réseau ferroviaire, c'est-à-dire les expéditeurs et les transporteurs, sont fermement convaincus qu'il serait inutile et peu judicieux d'amender à ce stage la législation sur cette question. Cependant, certaines opinions provinciales émises ne peuvent être complètement prises en considération sans une refonte des dispositions de la Loi relatives à l'abandon de lignes.

Plus précisément, le Nouveau-Brunswick et le Québec estiment que la viabilité économique des lignes devrait être un critère secondaire pour déterminer si elles sont essentielles, ce qui reviendrait à renverser l'ordre de prise en considération des facteurs actuellement établi dans la Loi. Le Nouveau-Brunswick estime notamment qu'il faudrait tenir compte de l'état du réseau routier chaque fois qu'une demande d'abandon de ligne est présentée, et qu'aucun abandon ne devrait être autorisé en l'absence de crédits d'amélioration du réseau routier.

Des intervenants ont signalé que les consultations menées à la suite de la demande du Ministre ne peuvent en aucun cas se comparer à celles tenues lors de l'élaboration de la *LNT* et être considérées aussi exhaustives. Il a été ajouté qu'advenant des modifications à des dispositions fondamentales de la Loi, cela risque d'avoir des répercussions au-delà de la question directement touchée par les modifications et, ainsi, nuire à l'équilibre global de la nouvelle loi. Au demeurant, il a été souligné que toute modification à la Loi devrait être précédée de consultations allant de pair avec les modifications proposées.

Les différents intervenants ont soulevé la nécessité d'élaborer une politique sur le partage des coûts d'infrastructure par les différents niveaux de gouvernement, peu importe le mode de transport considéré. Voici les positions des intervenants.

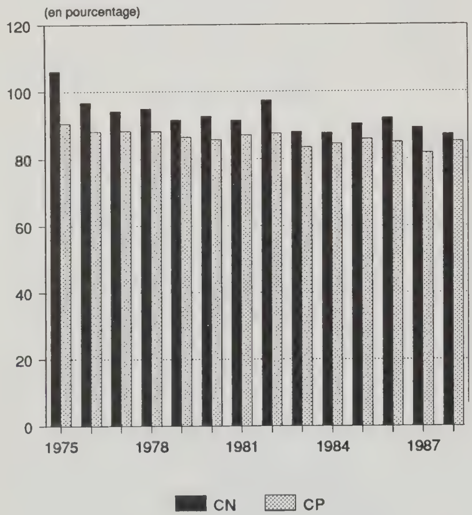
- **Critères suggérés**

Les lignes ferroviaires répondant aux caractéristiques suivantes pourraient être considérées comme faisant partie d'un réseau essentiel :

— lignes desservant des expéditeurs dont les besoins ne peuvent être comblés de façon

d'exploitation par rapport aux recettes d'exploitation, a toujours été supérieur à celui du CP (graphique 3.13). Lorsqu'il a été créé en 1923, pour regrouper des sociétés ferroviaires en faillite, le CN a hérité d'un vaste réseau de lignes ferroviaires, dont certaines n'ont jamais généré un important achalandage. Toutefois, en tant que société d'État, le CN était tenu de poursuivre l'exploitation du réseau. Par rapport au CP, le CN a donc plus de lignes et d'employés par unité de production. Par conséquent, les frais d'exploitation du CN excluant toute activité liée aux services de passagers, c'est-à-dire après avoir déduit les versements de VIA Rail, sont plus élevés par unité de production que le CP.

GRAPHIQUE 3.13:COEFFICIENTS D'EXPLOITATION DU CN ET DU CP



Données préliminaires pour 1988.
Source : Rapports annuels des sociétés ferroviaires soumis à l'ONT.

Par rapport à 1987, le coefficient d'exploitation du CN s'est amélioré en 1988. Ce phénomène était attribuable à la réduction des coûts : les frais d'exploitation par tonne-kilomètre ont diminué, accompagné d'un léger déclin des revenus par tonne-kilomètre. Cette diminution des dépenses résulte en partie du transfert à VIA Rail d'activités liées aux services de passagers, les frais d'exploitation excluant toute activité liée aux services de passagers ayant pour leur part baissé également. L'abandon des services ferroviaires de Terre-Neuve devrait aider le CN à améliorer ses résultats d'exploitation, puisque les pertes liées aux opérations ferroviaires de Terre-Neuve avaient été estimées à environ 40 millions de dollars par an.

Le coefficient d'exploitation du CP a été plus élevé en 1988 qu'en 1987 étant donné une légère baisse des revenus par tonne-kilomètre par rapport à l'augmentation des dépenses par tonne-kilomètre. Cette situation résulte en partie du fait que le CP n'a pu réduire ses opérations, et donc ses frais, au même rythme que le déclin de certains de ses trafics majeurs au cours des derniers mois de 1988.

RATIONALISATION DES RÉSEAUX

Abandon de lignes

Le traitement des demandes d'abandon de lignes a subi des retards en 1988. Le CN et le CP ont l'intention de présenter en 1989 des demandes pour l'abandon de 1 300 milles de lignes environ.

La Loi oblige l'Office à faire rapport dans son examen annuel de tous les projets d'abandon de lignes présentés durant l'année écoulée et sur ceux de l'année en cours. Un bref aperçu de ces projets est présenté dans cette section et des chiffres plus détaillés figurent en annexe (A à E).

En 1988, les sociétés ferroviaires ont présenté en tout 25 préavis d'abandon de ligne, qui se sont soldés par 19 demandes réelles d'abandon. En tout, l'Office a été saisi de 73 demandes d'abandon durant l'année, chiffre qui comprend les nouvelles demandes, des demandes au sujet desquelles l'ancienne Commission canadienne des transports n'avait pas statué ainsi que des demandes de réexamen de décisions prises à l'origine par la Commission et interdisant l'abandon. Quarante-sept demandes provenaient du CN, 23 du CP, une du CN et du CP conjointement, et deux de CSX Transportation.

En raison des délais établis par la *LNT*, 43 demandes devaient être réglées durant l'année. Quant aux autres demandes, certaines d'entre elles ont été déposées après le mois de juin, ce qui

D'autre part, les deux sociétés ferroviaires cherchent à améliorer leurs services intermodaux, le CN ayant décidé d'offrir un service de wagons à deux étages à partir de Vancouver en 1989, et le CP ayant loué 100 wagons articulés de 250 pieds pour ses transports de conteneurs.

Restructuration

Le CN a cessé tout service ferroviaire à Terre-Neuve en 1988, et le CP a créé la Canadian Atlantic Railway pour mieux desservir sa clientèle des Maritimes.

En 1988, le CN et le CP ont apporté d'importantes modifications à leurs organisations et à leurs systèmes de prestation des services. Ainsi, le CN a cessé tout service ferroviaire à Terre-Neuve au mois de septembre et dessert maintenant la province au moyen de services intermodaux. Cette décision a été prise dans le cadre d'une entente fédérale-provinciale en vertu de laquelle une compensation de 800 millions de dollars a été versée afin d'indemniser les employés et d'améliorer le réseau routier ainsi que les ports de Terre-Neuve. Le CN a également présenté une demande d'abandon de tout son réseau de l'Île-du-Prince-Édouard.

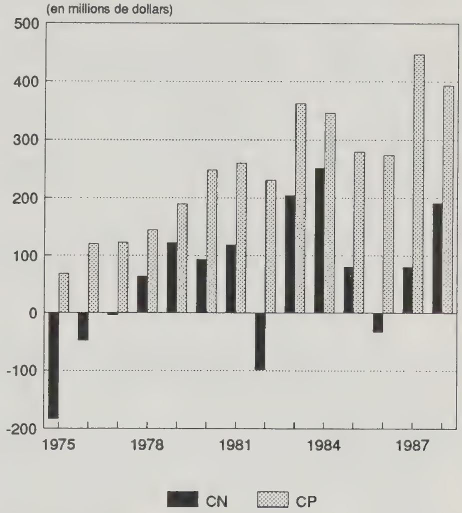
Quant au CP, afin d'offrir de meilleurs services à sa clientèle des Maritimes et d'être plus compétitif avec les firmes de camionnage, il a mis sur pied la société Canadian Atlantic Railway et lui a confié l'exploitation de ses lignes et de ses installations du Nouveau-Brunswick, de la Nouvelle-Écosse et du Maine.

SITUATION FINANCIÈRE DES TRANSPORTEURS

Le CN et le CP ont tous deux affiché de bons résultats financiers en 1988.

Le revenu net du CN a plus que doublé en 1988; celui du CP a également été satisfaisant, mais est resté inférieur au niveau record de 1987 en raison d'une baisse de trafic. Néanmoins, le CP, la plus petite des deux sociétés ferroviaires, a quand même terminé l'année avec un revenu net avant impôts plus élevé que le CN, ce qui a continué la tendance des dernières années (graphique 3.12).

GRAPHIQUE 3.12:REVENU NET DU CN ET DU CP



Données préliminaires pour 1988.
Source : Rapports annuels des sociétés ferroviaires soumis à l'ONT.

Depuis 1975, le CP a enregistré chaque année un revenu net qui, à l'exception d'une année, a toujours été supérieur à 100 millions de dollars. Par contre, le CN a enregistré cinq fois des pertes au cours de cette même période, son revenu annuel net n'ayant été que cinq fois supérieur à 100 millions de dollars, notamment en 1988.

L'écart dans le revenu net des deux sociétés ferroviaires peut s'expliquer en partie par des différences entre leur structure financière. Le CN assume le fardeau d'une dette beaucoup plus élevée que le CP, ce qui se traduit par des frais d'intérêts également beaucoup plus élevés. Cependant, le CN s'est engagé dans un programme de liquidation de ses actifs non ferroviaires, ce qui l'a déjà amené à vendre ses parts dans les hôtels du CN, dans les Télécommunications CNCP et dans deux sociétés de téléphone. Cela lui a permis de réduire son endettement de 1,5 milliard de dollars et, par conséquent, d'alléger ses frais d'intérêts.

Par ailleurs, l'analyse démontre que le coefficient d'exploitation du CN, soit le coefficient des frais

qu'ils auraient souhaité une concurrence plus vive entre les transporteurs ferroviaires canadiens. Cependant, en 1988, alors qu'il n'y avait qu'un nombre limité de wagons et que la demande pour les services ferroviaires était forte, il était à peu près impossible pour les transporteurs ferroviaires de se livrer une concurrence féroce au moment même où ils cherchaient à conclure des contrats confidentiels avec leurs clients. Une telle situation ne se représentera peut-être pas au cours des années à venir.

Enfin, il est extrêmement difficile de mesurer l'incidence des prix de ligne concurrentiels sur les bilans financiers du CN et du CP, ce dont conviennent les deux sociétés. Plusieurs facteurs entrent en jeu lors des négociations tarifaires; comme c'est à ce moment que les prix de ligne concurrentiels exercent leur plus forte incidence, il devient difficile de différencier la portée de son influence par rapport à celle des autres facteurs.

SERVICE

Qualité

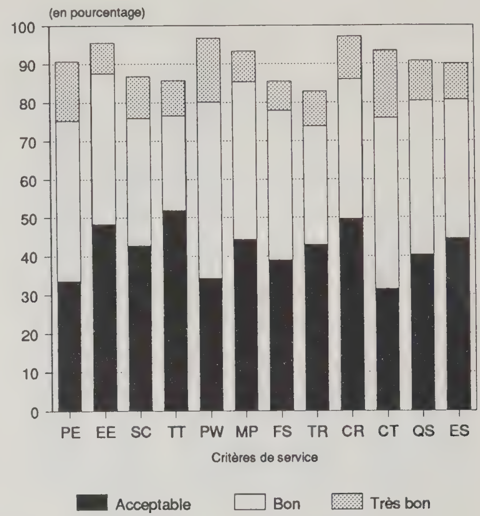
Transport par wagons complets

Plus du quart des expéditeurs ayant participé à l'enquête estiment que la qualité des services ferroviaires s'est améliorée en 1988.

Selon plusieurs critères visant à déterminer la qualité des services ferroviaires en 1988, les expéditeurs ont exprimé dans l'ensemble leur satisfaction à l'égard des services reçus par les sociétés ferroviaires. Huit des critères de service considérés ont été jugés acceptables, bons ou très bons de la part d'au moins 90 p. cent des utilisateurs, et les quatre autres critères ont reçu une réaction positive d'au moins 83 p. cent des répondants (graphique 3.11). Les expéditeurs ont aussi été invités à comparer les services ferroviaires de 1988 à ceux de 1987 : plus du quart ont identifié qu'il y a eu amélioration à ce chapitre alors que 12 p. cent seulement ont parlé de détérioration.

Au plan opérationnel, le CN et le CP ont tous deux réduit la longueur de bon nombre de leurs trains dans le but d'en améliorer la ponctualité.

GRAPHIQUE 3.11:VENTILATION DES RÉACTIONS POSITIVES DES EXPÉDITEURS AU CHAPITRE DES CRITERES DE SERVICE



Légende :
PE Provision d'équipement
EE État de l'équipement
SC Service de connexion
TT Temps de transit
PW Pistage des wagons
MP Manutention des produits
FS Fiabilité du service
TR Traitement des réclamations
CR Couverture-responsabilité
CT Coopération du transporteur
QS Qualité générale du service
ES Efficacité générale du service

Source : Enquête de l'ONT auprès des expéditeurs.

Services intermodaux

La plupart des expéditeurs ont constaté une amélioration des services intermodaux.

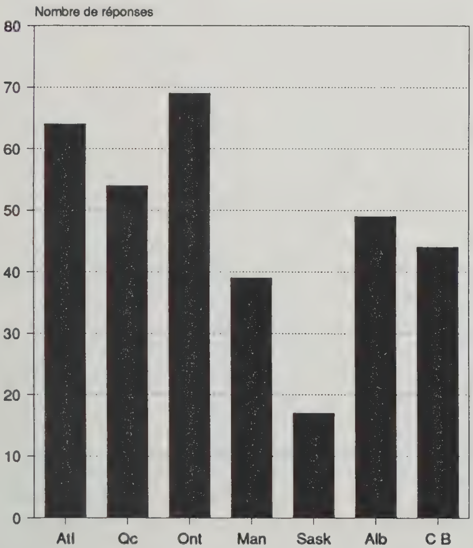
Plus de 90 p. cent des expéditeurs ont indiqué que les services intermodaux s'étaient améliorés ou avaient été modifiés entre 1987 et 1988. Les améliorations les plus significatives observées concernent la qualité de l'équipement, la fréquence des services, le temps de transit et la coopération des transporteurs.

La Commission des transports des provinces de l'Atlantique a elle aussi signalé, après consultation auprès des transporteurs et des expéditeurs, une amélioration des services intermodaux dans les provinces de l'Atlantique.

Peu familiers avec les dispositions de la nouvelle législation, comme en fait foi le nombre de demandes d'information reçues par l'Office à ce sujet, les expéditeurs ont été peu enclins à faire usage des mécanismes d'accès aux services concurrentiels et de règlement des différends.

Le peu d'empressement des expéditeurs à recourir formellement à ces dispositions n'enlève rien à leurs effets bénéfiques. Ainsi, plus de la moitié des expéditeurs ferroviaires ayant participé à l'enquête ont déclaré que ces dispositions ont eu une incidence sur leurs négociations avec les transporteurs ferroviaires. De plus, ces mêmes expéditeurs représentaient en majorité des entreprises de grande taille. Finalement, des expéditeurs provenant de chaque région ont jugé positive l'existence de ces dispositions (graphique 3.9).

GRAPHIQUE 3.9 : VENTILATION RÉGIONALE DES EXPÉDITEURS JUGEANT POSITIVE L'INCIDENCE DES MÉCANISMES D'ACCÈS AUX SERVICES CONCURRENTIELS ET DE RÈGLEMENT DES DIFFÉRENDS



Source : Enquête de l'ONT auprès des expéditeurs.

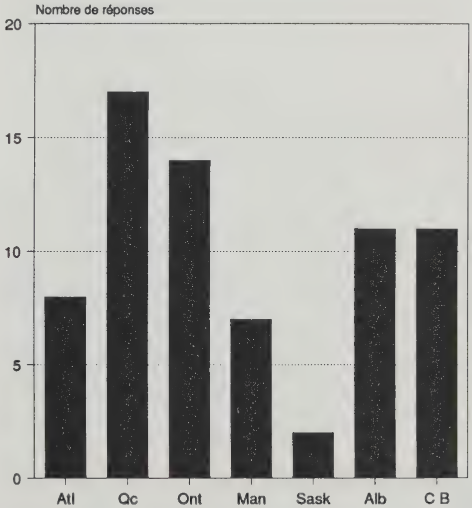
Le commentaire suivant d'un expéditeur reflète très bien l'opinion généralement exprimée au sujet de l'accès aux services concurrentiels :

> « L'existence des prix de ligne concurrentiels (PLC) et des autres mesures d'accès aux services concurrentiels constitue une amélioration notable. Comme les expéditeurs ne doivent faire recours à l'établissement d'un PLC qu'en dernier ressort, les dispositions de la Loi à l'égard de l'accès concurrentiel semblent avoir produit les résultats escomptés ».

Un expéditeur sur cinq a affirmé que les dispositions relatives aux prix de ligne concurrentiels ont eu une incidence bénéfique sur son entreprise. Une telle évaluation a été fournie par des expéditeurs de toutes les régions (graphique 3.10).

Les utilisateurs des services ferroviaires ont constaté que la nouvelle législation avait rendu les transporteurs plus concurrentiels, même s'il est vrai qu'un certain nombre d'expéditeurs ont indiqué

GRAPHIQUE 3.10:VENTILATION RÉGIONALE DES EXPÉDITEURS JUGEANT POSITIVE L'INCIDENCE DES PRIX DE LIGNE CONCURRENTIELS



Source : Enquête de l'ONT auprès des expéditeurs.

Accès aux services concurrentiels et règlement des différends

Plus de la moitié des expéditeurs ferroviaires ayant participé à l'enquête estiment que l'accès aux services concurrentiels et les dispositions liées au règlement des différends ont eu une incidence sur leurs négociations avec les sociétés ferroviaires.

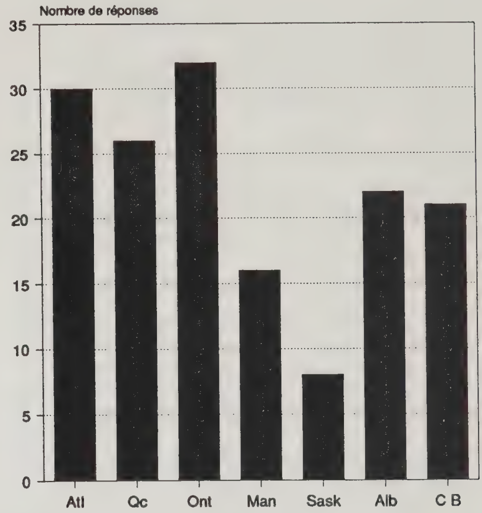
La *LNT* favorise la concurrence en offrant aux expéditeurs la possibilité de recourir aux mesures d'accès aux services concurrentiels, et en mettant à la disposition des expéditeurs et des transporteurs ferroviaires des mécanismes permettant le règlement des différends sur les tarifs et les services. Les expéditeurs peuvent soit faire usage comme tel de ces mécanismes, soit les soulever comme moyen de pression lors des négociations.

Quant à l'interconnexion, les chiffres fournis par les deux grandes sociétés ferroviaires révèlent une activité assez importante dans l'ancienne zone d'interconnexion (jusqu'à 6,4 km) et dans la nouvelle zone (entre 6,4 et 30 km).

Toutefois, comme les sociétés ferroviaires n'ont pas encore achevé la mise au point de systèmes informatisés permettant de comptabiliser avec exactitude les activités d'interconnexion, l'Office n'a pu identifier les changements intervenus à ce chapitre dans l'ancienne zone, ni faire la distinction entre le trafic acheminé par correspondance volontaire dans la zone de 6,4 à 30 km et celui acheminé par interconnexion véritable dans cette zone à la suite de l'établissement de la nouvelle limite.

Tant que cette distinction ne sera pas possible, il sera difficile de tirer des conclusions à partir des données fournies par les transporteurs. L'enquête auprès des expéditeurs démontre qu'un expéditeur sur cinq estime que l'interconnexion a eu une incidence positive ou très positive sur son entreprise. Cette évaluation positive a été rapportée dans chaque région (graphique 3.8).

GRAPHIQUE 3.8: VENTILATION RÉGIONALE DES EXPÉDITEURS JUGEANT POSITIVE L'EXTENSION DES LIMITES D'INTERCONNEXION



Source : Enquête de l'ONT auprès des expéditeurs.

Dix demandes d'interconnexion ont été soumises à l'Office en 1988, portant sur des demandes d'extension de la limite de 30 km et sur d'autres problèmes liés à la mise en application de cette disposition.

L'Office a dû établir un prix de ligne concurrentiel à la suite d'une demande de la société Alberta Gas Chemicals Inc., mais le CP a porté la décision en appel devant la Cour fédérale du Canada. Une autre demande a été reçue, puis retirée.

Bien que plusieurs différends liés au taux de fret ferroviaire ou au service aient été résolus grâce aux services de médiation, l'Office n'a reçu qu'une seule demande officielle de médiation. Il n'a reçu aucune demande d'arbitrage ni d'enquête d'intérêt public concernant les taux de fret ferroviaire ou les services.

nouvelles pratiques instaurées en 1988, et le CN compte bien continuer à utiliser cet outil de prédilection pour négocier avec les expéditeurs, dans les années à venir, des accords profitables aux deux parties ». Dans son mémoire, le CP a souligné que l'acceptation générale des dispositions législatives les plus axées sur le marché, c'est-à-dire celles ayant trait aux contrats confidentiels, constituait un phénomène important.

Opinion des expéditeurs

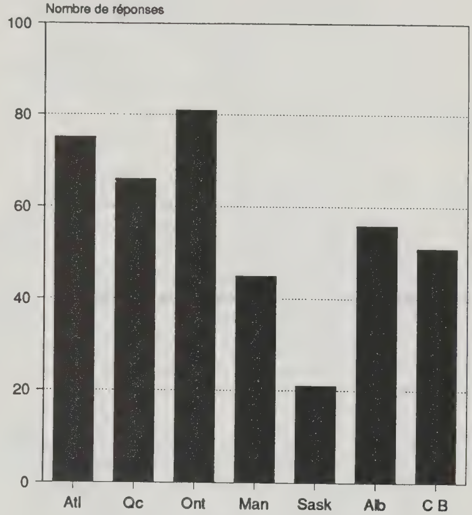
Les expéditeurs ont reçu favorablement la disposition législative touchant aux contrats confidentiels.

Plus de la moitié des expéditeurs ferroviaires ayant participé à l'enquête affirment que les contrats confidentiels ont eu sur leur entreprise une incidence positive ou très positive. Presque tous les autres répondants n'avaient pas engagé de telles négociations en 1988, n'étaient pas parvenus à un accord ou avaient signé un contrat moins intéressant qu'ils ne l'espéraient.

Les expéditeurs ayant signé des contrats ont précisé qu'ils avaient expédié en moyenne 60 p. cent de leur trafic sous contrat, ce qui démontre qu'il était possible de négocier un contrat acceptable sans pour autant avoir à engager tout son trafic puisque des facteurs autres que le volume pouvaient entrer en jeu dans les négociations. Pour confirmer cette constatation, des expéditeurs, ayant acheminé seulement une fraction de leur trafic sous contrat, ont aussi exprimé une opinion positive à ce sujet. En effet, l'enquête démontre que les contrats ont été bénéfiques aux expéditeurs, qu'ils aient acheminé moins de 10 p. cent ou la totalité de leur trafic ferroviaire sous contrat.

Bien représentés partout au pays, les expéditeurs de toutes les industries semblent partager la même opinion au sujet des bienfaits des contrats (graphique 3.7). Cependant, ceux des secteurs du papier, du bois, des produits chimiques, de l'alimentation et des mines ont été plus nombreux à parler des effets positifs des contrats. Cela ne saurait surprendre puisque ce sont les produits de ces secteurs qui apparaissent le plus souvent dans les résumés des contrats confidentiels.

GRAPHIQUE 3.7: VENTILATION RÉGIONALE DES EXPÉDITEURS JUGEANT POSITIVE L'INCIDENCE DES CONTRATS CONFIDENTIELS



Source : Enquête auprès des expéditeurs de l'ONT.

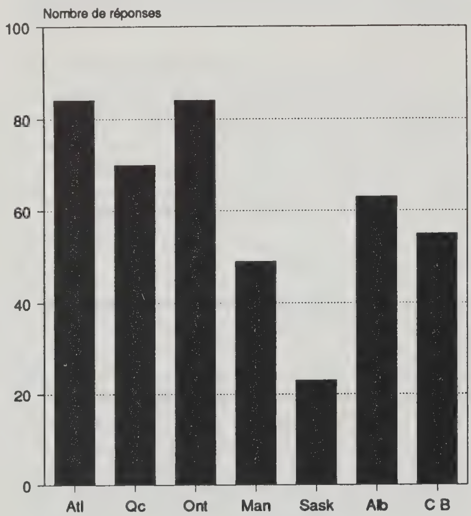
Résumé

Les contrats confidentiels ont connu du succès en 1988.

Les contrats confidentiels ont connu un vif succès en 1988. Les expéditeurs et les transporteurs ferroviaires ont signé un nombre important de contrats confidentiels, soit un nombre supérieur à celui prévu, portant sur un vaste éventail de produits pour du trafic entre et à l'intérieur de toutes les régions. Les deux parties ont exprimé leur satisfaction à l'égard des avantages concurrentiels octroyés par les contrats confidentiels. De fait, ces contrats ont été cités comme étant le facteur le plus important dans l'obtention de tarifs ferroviaires concurrentiels.

Dans le cadre de l'enquête, 75 p..cent des expéditeurs ferroviaires ayant conclu des contrats confidentiels ont indiqué que les tarifs contractuels étaient inférieurs aux tarifs publiés. Des expéditeurs de toutes les régions ont obtenu des tarifs plus avantageux avec les contrats confidentiels (graphique 3.5). Toutefois, les marchandises acheminées par chemin de fer n'ont pas toutes été transportées sous contrat confidentiel et n'ont pas nécessairement bénéficié de tarifs plus avantageux.

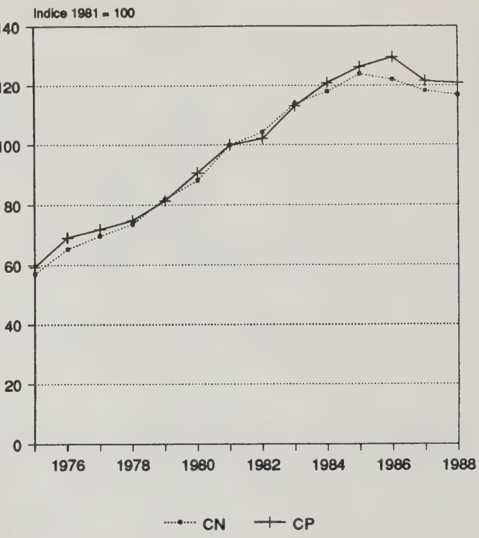
GRAPHIQUE 3.5: VENTILATION RÉGIONALE DES EXPÉDITEURS MENTIONNANT DES TARIFS INFÉRIEURS SOUS CONTRAT CONFIDENTIEL



Source : Enquête de l'ONT auprès des expéditeurs.

Par ailleurs, en 1988, les deux grandes sociétés ferroviaires n'ont enregistré qu'une faible diminution de leurs recettes par tonne-kilomètre payante. Ce coefficient, qui constitue un indicateur approximatif des niveaux tarifaires, montre que le tarif moyen a diminué. Il convient toutefois de préciser que cette unité de mesure reflète aussi l'influence sur le trafic ferroviaire de nombreux facteurs autres que les nouvelles dispositions législatives sur le trafic ferroviaire, notamment les forces du marché, les changements quant à la nature des marchandises transportées et au réseau de distribution, l'évolution des échanges commerciaux et celle des coûts d'exploitation (graphique 3.6).

GRAPHIQUE 3.6: RECETTES PAR TONNE-KILOMETRE DU CN ET DU CP



Source : Rapports annuels des sociétés ferroviaires soumis à l'ONT.

Dans leurs mémoires soumis à l'Office, les deux sociétés ferroviaires ont précisé que la nouvelle législation avait résulté en une diminution des revenus et une réduction des tarifs. Selon le CN, ses tarifs n'ont augmenté dans l'ensemble que de 1 p. cent tandis que le CP a fait état de fortes pressions exercées par les expéditeurs et les marchés internationaux en vue de réduire les tarifs.

Opinion des transporteurs

Les sociétés ferroviaires ont émis une opinion favorable à l'égard des contrats confidentiels.

Dans le mémoire qu'il a soumis à l'Office, le CN a déclaré que « la possibilité de conclure des contrats confidentiels est la plus positive des

expédiées sous contrat vers les États-Unis étaient destinées aux États du Centre-Ouest, tandis que la plupart des marchandises américaines expédiées au Canada sous contrat étaient destinées à l'Ontario et au Québec. Un quart des destinations américaines rapportées étaient associées à des régions d'origine américaine.

Produits transportés sous contrat

Les contrats confidentiels ont été utilisés par tous les types d'industrie.

Les résumés des contrats confidentiels et l'enquête réalisée auprès des expéditeurs démontrent que les produits d'un vaste éventail d'industries ont été transportés, en 1988, selon les termes et les conditions de contrats confidentiels. Le tout confirme l'accessibilité de cette disposition de la Loi pour les différents secteurs industriels. Toutefois, certaines industries ont signé plus de contrats que d'autres. Les produits des industries chimiques, de l'alimentation, du bois, des pâtes et papiers et des mines, ont été identifiés dans 60 p. cent des contrats du CN et du CP.

Les origines et les destinations de ces produits, rapportées dans les contrats confidentiels, sont représentatives du réseau traditionnel de distribution de ces mêmes industries. En guise d'exemple, pour les produits chimiques, les régions d'origine identifiées dans les contrats correspondaient aux provinces productrices que sont l'Ontario, l'Alberta et le Québec, et avaient comme destination les autres provinces et les États-Unis. Les contrats confidentiels pour les expéditions de produits alimentaires montraient essentiellement le Canada central comme région d'origine et les autres provinces comme destination.

Les contrats confidentiels de bois d'œuvre identifiaient le plus souvent des provinces productrices telles que la Colombie-Britannique, l'Alberta et le Québec comme régions d'origine, et les marchés des États-Unis et des autres provinces comme destinations. Avant tout, les contrats du secteur des produits des pâtes et papiers désignaient le Québec, l'Ontario et la Colombie-Britannique comme régions d'origine, et les États-Unis et les autres provinces comme destinations.

Taille des expéditeurs

Les expéditeurs de toutes tailles ont pu avoir recours aux contrats confidentiels.

En utilisant la variable du nombre d'employés comme indicateur de la taille des expéditeurs, les résultats de l'enquête démontrent que toutes les catégories d'expéditeurs avaient accès aux contrats confidentiels. Presque la moitié de tous les expéditeurs ont signalé qu'ils avaient été contactés en 1988 par une compagnie ferroviaire canadienne afin de négocier un contrat. Cette réponse a été fournie par des entreprises de toute taille, mais plus souvent par des grandes que des petites, ce qui ne saurait surprendre puisque les sociétés ferroviaires ont probablement d'abord voulu négocier de tels contrats avec les plus gros expéditeurs.

En d'autres termes, les effets bénéfiques des contrats confidentiels ont été rapportés aussi bien par des entreprises ayant moins de 50 employés que par celles en comptant des milliers. Plusieurs petits expéditeurs ayant eu accès aux contrats confidentiels ont rapporté avoir été contactés par une compagnie ferroviaire pour négocier ces contrats et qu'ils avaient ainsi réussi à obtenir des tarifs plus intéressants.

Incidence sur les tarifs

Selon la majorité des expéditeurs interrogés, les tarifs contractuels étaient inférieurs aux tarifs publiés.

Invités à classer les facteurs les ayant incités à négocier un contrat confidentiel, les expéditeurs ont placé en tête de liste les « concessions tarifaires », puis la « confidentialité » et les « garanties tarifaires ».

des contrats confidentiels que le CN et le CP ont signé avec des expéditeurs étaient d'une durée d'un an ou moins; un petit nombre seulement portait sur une période de plus de deux ans. Par rapport au CP, le CN a signé moins de contrats d'une durée inférieure à six mois et plus de contrats d'une durée de deux ou trois ans.

Le recours aux contrats confidentiels a été beaucoup plus rapide au Canada qu'aux États-Unis, où cette mesure a été introduite en 1980. La différence s'explique probablement en partie du fait des échanges commerciaux canado-américains. Grâce à ces derniers, les expéditeurs et les transporteurs ferroviaires ont acquis une expérience considérable dans la négociation de contrats avec les sociétés ferroviaires américaines; ils ont ainsi pu mettre rapidement cette expérience à profit lorsque les contrats confidentiels ont été adoptés au Canada.

Marchandises transportées sous contrat

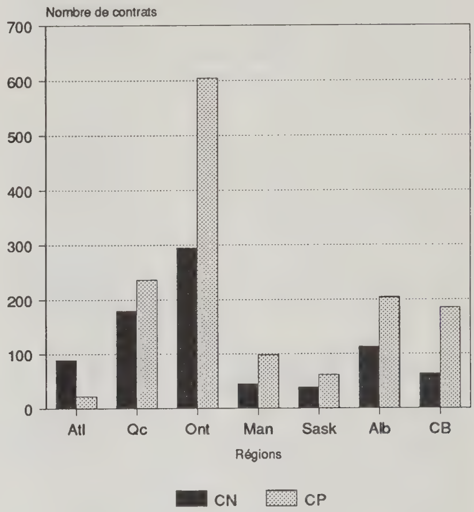
À la fin de l'année, une proportion élevée du trafic ferroviaire était acheminée selon les termes et les conditions de contrats confidentiels.

L'importance des contrats confidentiels est confirmée par le volume de marchandises transportées sous contrat. À l'exclusion des expéditions statutaires de grains au titre de la *LTGO*, le tiers du volume du trafic du CN était transporté sous contrat confidentiel à la fin de l'année; quant au CP, ce trafic représentait la moitié de son volume total. L'enquête effectuée par l'Office auprès des expéditeurs a permis d'estimer à plus de 30 p. cent le volume de trafic ferroviaire ayant fait l'objet de contrats confidentiels en 1988. Ces chiffres démontrent que les transporteurs ont eu largement recours aux contrats confidentiels et que cette mesure s'est avérée efficace.

Plus de la moitié des régions d'origine du trafic sous contrat rapportées par le CN et le CP émanaient des provinces centrales, les deux tiers touchant l'Ontario. Une proportion élevée des contrats, avec leur origine en Ontario et au Québec, étaient pour du trafic destiné aux quatre provinces de l'Ouest.

L'Alberta et la Colombie-Britannique se classaient au deuxième rang en tant que provinces d'origine des contrats rapportés et elles étaient souvent

GRAPHIQUE 3.4: ORIGINE RÉGIONALE DU TRAFIC SOUS CONTRAT DU CN ET DU CP



Note : En ce qui concerne les contrats ayant plusieurs origines ou destinations, un point d'origine a été compté pour chaque groupe origine-destination. Cela explique pourquoi le nombre total d'origines est supérieur au nombre de contrats.

Source : Résumés des contrats confidentiels soumis à l'ONT.

associées à du trafic destiné aux provinces centrales: Quant aux provinces de l'Atlantique, elles apparaissaient comme région d'origine dans 10 p. cent des contrats du CN, mais beaucoup moins souvent dans ceux du CP, la différence s'expliquant par une plus forte présence du CN dans la région (graphique 3.4).

Les contrats confidentiels n'ont pas seulement été utilisés pour le transport inter-régional mais souvent aussi pour le transport de marchandises à l'intérieur d'une province ou d'une région, notamment en Ontario.

Dans une grande mesure, le trafic transfrontalier a aussi fait l'objet de contrats confidentiels puisqu'un sixième des origines et des destinations rapportées dans les résumés des contrats de toutes les sociétés ferroviaires se trouvaient aux États-Unis. À l'exception de certains contrats pour du trafic entre les États de l'Ouest et la Colombie-Britannique, la plupart des marchandises

pays l'ont amené à se tourner vers d'autres pays fournisseurs.

- Les expéditions de potasse et de soufre du CN ont augmenté de près d'un million de tonnes respectivement; quant au CP, ses expéditions de potasse ont légèrement chuté à la fin de l'année et ses expéditions de soufre sont demeurées stables.

- Les expéditions de bois d'œuvre ont été à la baisse durant toute l'année, à cause du fléchissement des mises en chantier domiciliaires aux États-Unis et de la surtaxe frappant le bois d'œuvre destiné à ce marché. La baisse a été plus prononcée pour le CN que pour le CP, le CN transportant trois fois plus de bois que le CP.

- L'industrie des pâtes et papiers a connu une année record. Le trafic ferroviaire des produits de cette industrie s'est généralement maintenu à des niveaux élevés, les cas de fléchissement s'expliquant par des déplacements de marchés et des transferts vers d'autres modes de transport. Les expéditions de pâte à papier, de papier journal et de papier de pâte mécanique ont augmenté pour le CN, alors que le CP a enregistré une baisse de ses expéditions de pâte à papier et de papier journal et une hausse de ses expéditions de papier de pâte mécanique.

- Finalement, les deux sociétés ont enregistré une hausse de leur trafic automobile. Certes, les pourcentages d'augmentation n'ont pas été aussi élevés que pour d'autres types de produits, mais leur incidence sur les revenus a été importante car les recettes par tonne de trafic automobile sont plusieurs fois supérieures à celles des autres marchandises.

Trafic intermodal

Le trafic intermodal a connu une augmentation en 1988.

Le CN et le CP continuent tous deux à mettre l'accent sur le développement des services intermodaux afin de mieux répondre aux besoins de leur clientèle.

Le trafic intermodal a augmenté durant l'année, mais cela s'explique uniquement par le transport d'un plus grand nombre de conteneurs maritimes. Le transport de semi-remorques sur wagons plates-formes a diminué pour les deux sociétés.

Selon les expéditeurs utilisant les services intermodaux, ce type de transport représente en moyenne 15 p. cent de leur trafic et les trois quarts d'entre eux disent avoir choisi la combinaison rail-route. Les services les plus fréquemment utilisés par les expéditeurs pour veiller, en tout ou en partie, aux arrangements de tels services ont été ceux des transitaires.

CONCURRENCE

Contrats confidentiels

Les contrats confidentiels ont manifestement connu un succès important auprès des expéditeurs et des sociétés ferroviaires.

Les expéditeurs et les sociétés ferroviaires ont tiré profit de la disposition permettant l'établissement de contrats confidentiels puisqu'ils en ont signé 1 223 en 1988. Sur ce total, plus de 51 p. cent ont été déposés par le CP, 30 p. cent par le CN et le reste par les autres transporteurs ferroviaires opérant au Canada, c'est-à-dire Algoma Central Railway, Burlington Northern Railroad Company, Consolidated Rail Corporation, CSX Transportation, Kansas City Southern, Norfolk and Western Railway Company, Southern Railway System et Wisconsin Central Ltd.

Dépôt des contrats

De septembre à décembre 1988, le CN et le CP ont déposé plus de 100 contrats confidentiels par mois.

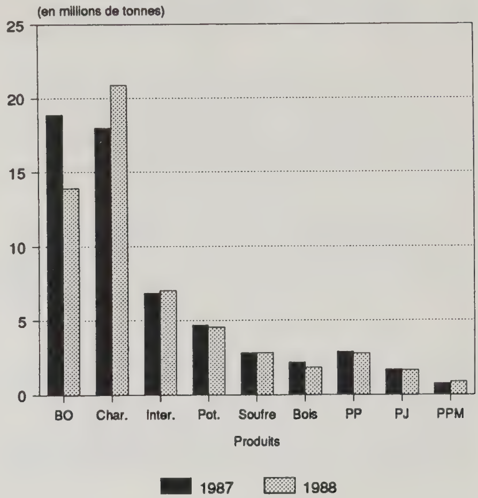
L'examen des résumés des contrats déposés auprès de l'Office démontre que le nombre reçu en début d'année était faible, mais qu'il a progressivement augmenté, les deux sociétés ferroviaires en soumettant au total plus d'une centaine par mois durant les quatre derniers mois de l'année. En fait, plusieurs de ces contrats étaient datés du début de l'année ou portaient une date antérieure à celle de leur dépôt. La plupart

total. La majeure partie du trafic de marchandises en vrac est destinée au marché d'oŭtre-mer ou américain.

L'importance de l'augmentation du trafic intermodal a été telle qu'il représente maintenant, en termes de volume, le deuxième trafic non céréalier après le charbon. Ce phénomène s'explique par la hausse continue de l'utilisation des conteneurs pour le commerce international.

En termes de volume, les quantités transportées par le CN ont atteint un niveau record en 1988, et celles du CP lui ont permis de réaliser la deuxième meilleure année de son histoire, soit seulement 3 p. cent de moins que le sommet atteint en 1987 (graphiques 3.2 et 3.3). L'ampleur de ces volumes s'explique par la fermeté des exportations de vrac non céréalier et par la hausse du trafic de conteneurs.

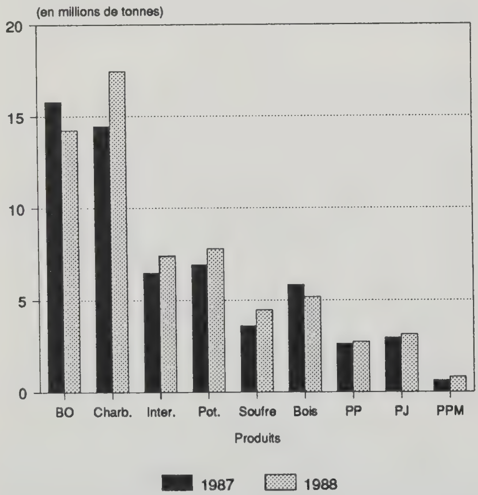
GRAPHIQUE 3.3: FRET TRANSPORTÉ PAR LE CP PAR GROUPE DE PRODUITS



Note: BO = blé et orge; Charb. = charbon; Inter. = intermodal; Pot. = potasse; Bois = bois d'œuvre; PP = pâte à papier; PJ = papier journal; PPM = papier de pâte mécanique.

Source: Rapports annuels du CP soumis à l'ONT.

GRAPHIQUE 3.2: FRET TRANSPORTÉ PAR LE CN PAR GROUPE DE PRODUITS



Note: BO = blé et orge; Charb. = charbon; Inter. = intermodal; Pot. = potasse; Bois = bois d'œuvre; PP = pâte à papier; PJ = papier journal; PPM = papier de pâte mécanique.

Source: Rapports annuels du CN soumis à l'ONT.

L'examen attentif du transport de certaines marchandises par chaque société en 1988 permet de conclure que :

- Le trafic céréalier a enregistré une baisse sensible à la suite de la sécheresse qu'ont connue les Prairies au cours de l'été de 1988. Ce phénomène a touché moins le CN que le CP, ce dernier desservant une partie plus importante du territoire frappé par la sécheresse.

- Un volume record de trafic de charbon a été enregistré, chaque société en transportant trois millions de tonnes de plus durant l'année. Ces résultats s'expliquent par la hausse de la demande pour le charbon métallurgique issue des aciéries du Japon et de la Corée. En principe, le Japon s'approvisionne à partir des mines australiennes, mais l'existence de conflits de travail en Australie et la négociation de contrats de vente de charbon entre les deux

et d'employés. Les 16 autres sociétés (de classe II) réalisent chacune un chiffre d'affaires annuel variant entre quelques millions et quelques centaines de millions de dollars. On peut généralement les classer dans l'une des trois catégories suivantes :

- les sociétés ferroviaires régionales, comme British Columbia Railway, Algoma Central, Ontario Northland Railway et Chemin de fer QNS&L, qui transportent presque exclusivement des produits miniers et forestiers;

- les sociétés appartenant à des filiales américaines, telles Burlington Northern, Conrail et CSX Transportation;

- les sociétés d'acheminement terminal ou de connexion, qui assurent le transport des marchandises d'entreprises établies le long de leurs propres lignes jusqu'aux lignes principales du CN et du CP, comme Essex Terminal Railway et Southern Railway of British Columbia.

Le CN, le CP et plusieurs petites sociétés ferroviaires comme, par exemple, Chemin de fer QNS&L, Algoma Central, Nipissing Central (branche de l'Ontario Northland Railway au Québec), Essex Terminal et les filiales des sociétés américaines, sont assujetties aux dispositions de la *LNT*. D'autres transporteurs ferroviaires relèvent des pouvoirs législatifs provinciaux, comme la société British Columbia Railway.

Le présent examen est centré sur les activités des deux sociétés dominantes, soit le CN et le CP.

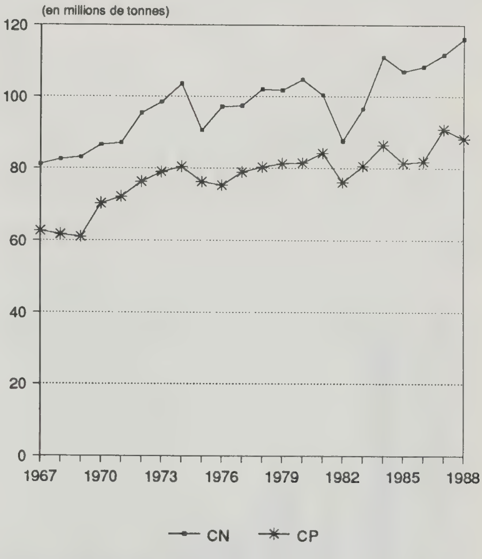
TRAFIC

Trafic de wagons complets

En 1988, le CN a transporté un volume record de marchandises, et le CP a atteint le deuxième tonnage le plus élevé de son histoire, soit environ 3 p. cent de moins que le sommet atteint en 1987.

Au cours des deux dernières décennies, le trafic combiné du CN et du CP a augmenté à un taux annuel variant entre 1 et 2 p. cent pour atteindre 204,3 millions de tonnes en 1988. La croissance n'a pas été continue pendant toute cette période, le trafic ferroviaire étant influencé par les hauts et les bas de l'économie (graphique 3.1). Ainsi, les récessions économiques de 1975 et 1982 ont provoqué une baisse marquée des volumes transportés. Comme les frais fixes constituent une partie importante des dépenses des sociétés ferroviaires, les fluctuations de volumes ont un effet notable sur le bénéfice net. En période de prospérité économique, la demande pour les services ferroviaires augmente et les frais fixes peuvent être répartis entre un plus grand nombre d'unités transportées, ce qui se traduit par une hausse significative des bénéfices nets. L'inverse est également vrai.

GRAPHIQUE 3.1: FRET TOTAL TRANSPORTÉ



Source : Rapports annuels des sociétés ferroviaires soumis à l'ONT.

Bien que le trafic ferroviaire ait augmenté lentement au cours des années, la nature des marchandises transportées a changé considérablement. Le vrac (charbon, potasse, bois d'œuvre, soufre, copeaux de bois à pâte, gypse, pâte à papier et papier journal) occupe aujourd'hui une place tellement importante qu'il représente, à l'exclusion des expéditions statutaires de grains, la moitié du trafic

les réseaux ferroviaires essentiels à l'expansion économique de telle ou telle région au Canada.

Équipement et exploitation

Un arbitre fédéral a imposé au CN et au CP des conditions sur l'utilisation de trains sans fourgon de queue. Les deux sociétés en ont appelé de l'ordonnance; la Cour fédérale a invalidé ces conditions en mars 1989 et les a retirées de la décision de l'arbitre.

RÉFORME DE LA RÉGLEMENTATION

La *LNT* contient plusieurs dispositions destinées à alléger le fardeau réglementaire des sociétés ferroviaires et à favoriser le développement d'un environnement ferroviaire plus concurrentiel.

Dispositions sur les chemins de fer

La Loi autorise la négociation de contrats confidentiels, offre aux expéditeurs de meilleures options pour avoir accès à des services concurrentiels et modifie la procédure d'abandon de lignes de chemin de fer.

La nouvelle loi autorise les sociétés ferroviaires à négocier des contrats confidentiels avec les expéditeurs et à adapter les modalités et les prix des services à la situation particulière de l'expéditeur considéré. Cette loi abolit l'ancien système d'établissement collectif des tarifs par les sociétés ferroviaires.

De nouvelles dispositions relatives à l'accès aux services concurrentiels permettent aux expéditeurs d'avoir recours aux services de plus d'un transporteur ferroviaire. Ces dispositions ont modifié les limites de l'interconnexion de 6,4 à 30 km. Dans certaines circonstances, les expéditeurs captifs établis au-delà de la zone d'interconnexion peuvent obtenir un prix de ligne concurrentiel pour acheminer leurs marchandises au lieu de correspondance le plus près afin de les remettre à un transporteur ferroviaire concurrentiel.

La nouvelle loi établit par ailleurs une procédure allégée d'abandon des lignes de chemin de fer et permet de nouvelles options, par exemple, le transfert de certaines lignes à des exploitants indépendants et l'octroi d'une aide financière pour améliorer les autres moyens de transport.

Mécanismes de règlement des différends

La Loi prévoit des services de médiation et d'arbitrage, ainsi que la tenue d'enquêtes d'intérêt public, pour régler les différends entre transporteurs et expéditeurs.

Expéditeurs et transporteurs peuvent utiliser un service facultatif de médiation pour régler leurs différends en matière de tarifs et de conditions de transport, mais les résultats n'en sont pas exécutoires.

Le mécanisme de l'arbitrage s'applique au transport intérieur de marchandises par voie aérienne et au transport ferroviaire de marchandises non céréalières; les résultats en sont exécutoires pour les deux parties pendant un an.

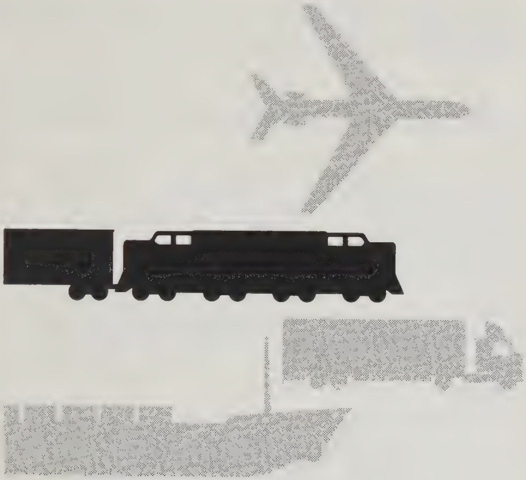
Il peut également y avoir des enquêtes d'intérêt public lorsque les différends ont des répercussions beaucoup plus vastes. Cette méthode s'applique au transport intérieur de marchandises par voie aérienne et à tous les transports ferroviaires de marchandises, à l'exception du transport de céréales au titre de la *Loi sur le transport du grain de l'Ouest (LTGO)*, du transport de réapprovisionnement maritime du Nord et du transport par productoduc.

STRUCTURE DE L'INDUSTRIE

L'industrie du fret ferroviaire est dominée par deux sociétés transcontinentales, le CN et le CP.

L'industrie canadienne du fret ferroviaire occupe une place importante dans l'économie canadienne puisqu'elle assure le transport de centaines de millions de tonnes de marchandises par année. L'industrie comprend 18 sociétés ferroviaires, mais la majeure partie de son activité est assurée par les deux sociétés transcontinentales, le CN et le CP (sociétés de classe I). Selon l'unité de mesure utilisée, la taille du CN est de 20 à 30 p. cent supérieure à celle du CP, et la différence entre les deux est encore plus significative en termes d'actif

LES SERVICES FERROVIAIRES



FAITS SAILLANTS DE 1988

Trafic

Le CN a transporté un volume record de marchandises, et le CP a atteint le deuxième volume de trafic le plus élevé de son histoire. Les expéditions en vrac de charbon et de potasse se sont maintenues à des niveaux élevés, mais celles de céréales ont diminué à cause d'une longue période de sécheresse.

Restructuration

Le CN a entrepris d'assainir son bilan en vendant certains de ses actifs non ferroviaires, ainsi que la société Grand Trunk Eastern des États-Unis. Il a également cessé toute activité ferroviaire à Terre-Neuve et a annoncé l'intention d'abandonner son réseau de l'Île-du-Prince-Édouard.

Le CP a restructuré ses services en créant une nouvelle division, la Canadian Atlantic Railway, pour veiller à ses opérations dans les provinces maritimes.

Incidences de la nouvelle législation

À la fin de l'année, l'usage des contrats confidentiels s'était déjà largement répandu puisque le tiers des marchandises du CN et la moitié de celles du CP, à l'exclusion des transports statutaires de grains, avaient été acheminées selon les termes et les conditions de tels contrats.

L'enquête menée auprès des expéditeurs ferroviaires a confirmé l'efficacité, lors des négociations avec les transporteurs ferroviaires, des dispositions relatives à l'accès à des services concurrentiels et au règlement des différends.

Le Ministre a demandé à l'Office d'entreprendre l'étude des critères permettant d'établir quels sont

d'aiguillage et de protection, les meubles et les accessoires.

Du côté des exportations, les hausses les plus fortes en 1988 ont été enregistrées au chapitre des automobiles, des camions, du papier journal et des pâtes à papier. Les exportations d'aluminium et de métaux précieux ont également augmenté, la forte demande dans ces secteurs engendrant des prix plus élevés. En dépit de la sécheresse, les exportations de blé ont augmenté en termes de valeur en grande partie en raison des prix plus élevés. Les exportations de pièces d'automobile, de pétrole brut et de bois d'œuvre ont enregistré une forte baisse.

Équilibre régional

L'accroissement de l'activité économique canadienne a été mieux répartie entre les régions et les industries. L'essor des cours des produits non pétroliers a favorisé la croissance dans l'Ouest et dans les provinces de l'Atlantique, des régions productrices de ressources.

Dans l'Ouest canadien, le secteur de l'exploration et de la mise en valeur du pétrole et du gaz naturel s'est relevé de la dépression qu'il a connue au début de 1987.

Grâce à l'essor de leurs industries des pâtes et papiers, des métaux primaires et de la fabrication métallique, ainsi qu'à leur plus grande diversification, les économies du Québec et de l'Ontario ont encore affiché d'excellents résultats en 1988.

L'économie mondiale

En 1988, l'économie mondiale a connu de meilleurs résultats que prévu. L'accélération de la croissance des économies industrialisées a été provoquée par une hausse marquée des dépenses d'investissement et par la progression des dépenses de consommation, celle-ci ayant été favorisée par la baisse de l'inflation et la hausse de l'emploi.

Une telle prospérité économique ne pouvait qu'être favorable à une nation commerçante comme le Canada. Cette croissance soutenue s'est surtout manifestée chez les principaux partenaires commerciaux du Canada : États-Unis, Japon, République fédérale d'Allemagne, Royaume-Uni et France.

Enfin, la vigoureuse croissance de l'économie canadienne, ajoutée à celle de ses principaux partenaires commerciaux en 1988, s'est traduite par une forte demande pour tous les services de transport.

Amorcée depuis le début de 1987, la forte hausse des investissements des entreprises en installations et en outillage s'est maintenue en 1988. Ce phénomène a été favorisé par les bonnes performances financières des entreprises, les problèmes de capacité de production notés dans beaucoup d'industries et la bonne performance de l'économie nationale. Tous les secteurs et la plupart des industries ont augmenté leurs dépenses en 1988, le rétablissement le plus notable à ce chapitre ayant été celui de l'industrie du pétrole et du gaz naturel.

Pour ce qui est de l'expansion du secteur tertiaire, elle est venue des services communautaires, commerciaux et personnels, de la vente au détail et des industries de communication.

Utilisation de la capacité de production

Étant donné la vigueur de l'activité économique, des taux élevés d'utilisation de la capacité de production ont été enregistrés dans des industries telles que la fabrication du métal, les produits miniers électriques et non métalliques, les métaux primaires, le meuble et l'équipement. Les industries lourdes et d'exploitation des ressources canadiennes ont également opéré à des taux élevés d'utilisation de leur capacité de production.

Après une forte hausse en 1987, le taux d'utilisation de la capacité de production dans le secteur de la fabrication des biens durables s'est stabilisé en 1988. Pour ce qui est des industries du secteur secondaire, telles que les pâtes à papier, le papier journal, l'acier et la pétrochimie, l'accroissement de leur production a été contrainte par des limites de capacité.

Dépenses des consommateurs

Après avoir stagné au premier trimestre, la hausse des dépenses de consommation a repris de plus belle, grâce à l'augmentation des revenus disponibles, résultant essentiellement de la mise en application de la première étape de la réforme fiscale et de la baisse des taux moyens d'imposition des particuliers qui en a résulté.

La relance des dépenses de consommation s'est traduite par une augmentation des ventes au détail et en gros.

Inflation

En 1988, le taux d'inflation s'est stabilisé à 4,1 p. cent, le secteur des transports exerçant des pressions à la baisse sur l'indice des prix à la consommation.

Quant au marché domiciliaire, il a contribué à la hausse des prix du fait de l'augmentation du prix des maisons neuves et des taux hypothécaires. De même, on a enregistré des hausses de prix dans les secteurs du cuivre et des produits cuivrés, du nickel, du zinc et des métaux précieux, ainsi que dans les industries de l'automobile et des produits du papier.

En contrepartie, les prix du pétrole et des produits du charbon ont baissé, tout comme ceux de la potasse et du bois d'œuvre. Malgré le fléchissement des cours du pétrole, des pressions inflationnistes sont apparues dans l'économie à cause des limites de capacité de production et de certaines carences du marché de la main-d'œuvre.

La hausse de l'indice des prix de transport, à 1,9 p. cent, a été moins forte qu'au cours des dernières années, le prix de l'essence et les tarifs aériens étant les deux facteurs ayant contribué à cette tendance.

Dollar canadien

Le dollar canadien a atteint son niveau le plus élevé sur le marché des devises depuis 1981. La remontée du dollar s'explique par la politique anti-inflationniste de la Banque du Canada, par l'activité soutenue de l'économie et par la hausse des cours des produits de base. Ces facteurs ont entraîné une appréciation de la devise canadienne par rapport à celles des autres pays industrialisés.

Commerce extérieur

Les exportations et les importations ont continué à monter en flèche en 1988. Ce phénomène s'explique par l'augmentation considérable des importations de machinerie et d'outillage, imputable à son tour à l'augmentation des importations d'aéronefs et d'autre équipement de transport, ainsi qu'à une hausse des importations de machinerie et d'équipement tel le matériel de climatisation et de réfrigération, les mécanismes

L'ÉCONOMIE CANADIENNE EN 1988

Nation commerçante, le Canada se doit d'être compétitif sur les marchés internationaux pour assurer sa prospérité. Par le fait même, son réseau de transport constitue un élément clé de son économie, car il doit assurer le déplacement de matières premières et de produits industriels sur de vastes distances et sur un territoire au relief parfois très accidenté afin d'atteindre les marchés intérieurs et étrangers. Il joue également un rôle important pour le transport des voyageurs d'affaires et des touristes.

L'efficacité du réseau de transport canadien a une incidence directe sur l'économie. En contrepartie, l'évolution des marchés internationaux et nationaux, qui détermine la performance économique globale de la nation, a inévitablement à son tour une incidence sur le réseau de transport.

Ce bref aperçu de la performance économique du Canada en 1988 reflète une vaste gamme d'évaluations publiées par des sources réputées des secteurs public et privé. Il est destiné à définir le cadre général dans lequel l'industrie des transports a opéré et à identifier certains des facteurs économiques importants qui ont influé sur sa performance.

La croissance économique vigoureuse du Canada en 1988, ainsi que de ses principaux partenaires commerciaux, a généré une forte demande pour les services de transport.

Produit intérieur brut

Le taux vigoureux de croissance de l'économie canadienne en 1988, essentiellement d'origine intérieure, a été généré par les dépenses non domiciliaires des entreprises et par les gains de production du secteur tertiaire. Le produit intérieur brut réel a augmenté de 4,5 p. cent en 1988, un taux supérieur aux prévisions.

La Canadian National Millers Association

L'Association canadienne des producteurs de pâtes et papiers

Le Conseil des expéditeurs canadiens

L'Association charbonnière canadienne

Le Conseil des industries forestières de Colombie-Britannique

Les Fabricants canadiens de produits alimentaires

L'Association minière du Canada

La Société des fabricants de véhicules à moteur

L'Association canadienne du gaz propane

Le Conseil canadien du commerce de détail

La Ontario Petroleum Association

L'Association des manufacturiers de bois de sciage du Québec

L'Association minière du Québec

Sultran

Le taux de réponse à cette enquête a été élevé. L'Office a reçu près de 600 questionnaires remplis, ce qui lui a permis de constituer une banque d'information sur les expéditeurs provenant de tous les grands secteurs industriels, primaires et manufacturiers, représentant plus de 10 000 établissements de production, de distribution ou de détail. Cette enquête lui a également fourni un échantillonnage représentatif des expéditeurs par région, par mode de transport et par taille d'entreprise.

Des enquêtes sur le transport aérien ont été effectués auprès des membres de l'Association des voyageurs de commerce du Canada (AVCC), des agents de voyage de l'Alliance canadienne des associations touristiques (ACAT), et auprès des représentants de collectivités et de bandes indiennes des régions septentrionales. Grâce aux 1 800 questionnaires qui lui ont été retournés, l'Office a obtenu des informations précieuses sur l'opinion des Canadiens au sujet des prix ainsi que de la nature et de la qualité des services de transport aérien.

En ce qui concerne l'examen des services de camionnage, il a été effectué au moyen d'entrevues et d'enquêtes postales. Ce vaste programme d'entrevues a permis de rejoindre plus de 100 transporteurs routiers, ainsi que des associations provinciales, régionales et nationales de camionnage, des commissions de délivrance de permis et des ministères du Transport de niveau provincial, des commissions tarifaires et des associations de voituriers-remorqueurs. Les gouvernements provinciaux et les associations de camionnage ont été consultés lors de la sélection des transporteurs afin d'obtenir un échantillon représentatif.

Toutes les conférences maritimes desservant les grandes voies commerciales canadiennes ont répondu à l'enquête sur le transport maritime portant sur des questions liées à la *LDCM*. Une autre enquête, réalisée avec l'appui de l'Association des transitaires internationaux canadiens, a permis de connaître les vues d'une partie importante de cette industrie.

Des consultations ont été entreprises auprès d'expéditeurs du Nord utilisant les services de réapprovisionnement des réseaux de l'Athabasca et du Mackenzie. Un questionnaire adressé à des collectivités septentrionales, à des bandes indiennes, aux gouvernements fédéral et territoriaux, et à des entreprises septentrionales, a permis de servir de complément à ces consultations.

- l'évolution des prix et des niveaux de service offerts aux expéditeurs et aux voyageurs;
- l'évolution de la structure, du rendement et des niveaux d'emploi de l'industrie des transports;
- l'efficacité de l'Office dans le traitement des plaintes, des demandes et autres requêtes qui lui sont présentées;
- l'incidence des « prix de ligne concurrentiels » sur les sociétés ferroviaires;
- l'abandon de lignes de chemin de fer.

Le ministre des Transports peut également soumettre pour étude toute autre question à l'Office. Dans le cadre du présent examen, le Ministre a demandé que soit inclus un examen des critères pouvant être utilisés dans l'identification des réseaux ferroviaires jugés essentiels au développement économique de n'importe quelle région donnée au Canada.

CADRE DE LA PROCÉDURE D'EXAMEN

Cet examen s'appuie sur les données recueillies à partir d'un vaste éventail de sources d'information des secteurs public et privé, complétées par un programme détaillé d'enquêtes.

Étant donné qu'il s'agissait du premier examen de l'Office, un accent particulier a été porté à l'établissement de critères d'enquête permettant d'obtenir des informations sûres et complètes sur les services de transport au Canada.

L'Office a rencontré des sociétés, des associations, des groupes d'intérêt et des gouvernements en vue de les sensibiliser au mandat d'examen de l'Office et de demander leur appui et leur participation.

L'Office a consulté un vaste éventail de sources d'information des secteurs public et privé afin de déterminer quels renseignements devaient être recueillis. Comme la situation variait d'un mode de transport à l'autre, l'Office a dû établir un programme d'enquête propre à chaque mode qui tenait compte de préoccupations telles la disponibilité et le caractère confidentiel des données existantes.

Les données institutionnelles les plus récentes ont été recueillies auprès de plusieurs ministères et organismes publics, et, dans bien des cas, elles n'étaient disponibles que sous forme préliminaire ou partielle. Elles ont été fournies entre autres par Statistique Canada, Transports Canada, Consommation et Corporations Canada, Travail Canada, le Conseil canadien des relations du travail, Investissement Canada, le Bureau du Surintendant des institutions financières du Canada, Ports Canada, le Bureau canadien de la sécurité aérienne et l'Office lui-même.

Les sources d'information du secteur privé provenaient essentiellement des transporteurs, soit ferroviaires, aériens, routiers et maritimes, ainsi que du *Official Airline Guides* et de la Airline Tariff Publishing Company.

L'Office a aussi organisé maintes consultations auprès des expéditeurs, des transporteurs, des gouvernements provinciaux et territoriaux, des associations industrielles, des groupes de consommateurs et autres. Certaines parties intéressées ont remis à l'Office leur évaluation de l'incidence de la réforme.

Des études sous contrat ont également été exécutées par la Commission des transports des provinces de l'Atlantique, Transmode Consultants et la Ligue canadienne de transport industriel.

Constatant l'absence quasi-totale d'informations courantes sur les usagers, l'Office a effectué des enquêtes auprès des expéditeurs, des transitaires, des conférences maritimes, des transporteurs routiers, des voyageurs aériens, des agents de voyage et des collectivités du Nord.

L'enquête de 1988 a été menée auprès des expéditeurs utilisant les divers modes de transport et réalisée avec la coopération de 19 associations industrielles :

L'Association canadienne des fabricants de produits chimiques

L'Association des exportateurs canadiens

L'Institut canadien des engrais

L'Association des importateurs canadiens

L'Association des manufacturiers canadiens

INTRODUCTION

EXAMENS ANNUELS

Pendant quatre ans, l'Office national des transports devra procéder à l'examen annuel de la mise en œuvre de la nouvelle législation sur les transports et présenter un rapport au Ministre.

La nouvelle législation canadienne sur les transports, qui comprend la *Loi nationale de 1987 sur les transports (LNT)*, la *Loi de 1987 sur les transports routiers (LTR)* et la *Loi dérogatoire de 1987 sur les conférences maritimes (LDCM)*, a été conçue pour favoriser l'instauration d'un environnement plus dynamique et plus compétitif pour les services de transport. La réglementation économique a été allégée afin de stimuler la mise en place d'un réseau de transport répondant aux besoins des expéditeurs et des voyageurs et contribuant à l'expansion économique de toutes les régions du pays.

Des dispositions spéciales dans cette législation requièrent que l'efficacité de la nouvelle structure de réglementation soit évaluée de façon continue. En vertu de la *LNT*, l'Office est tenu de procéder à un examen annuel de la situation, pour les années allant de 1988 à 1991, et de présenter un rapport au ministre des Transports au plus tard le 31 mai de chaque année. Le Ministre doit ensuite le déposer, dans les 15 jours de séance suivants, devant la Chambre des communes et le Sénat. Une fois déposé, le rapport est rendu public. Un examen exhaustif de la législation sera entrepris en 1992.

Les rapports d'examen permettent au gouvernement d'établir si la législation produit vraiment les effets souhaités.

PORTÉE DU PRÉSENT EXAMEN

L'examen annuel doit porter sur l'incidence nationale et régionale de toute la législation relative à la réglementation économique des transports. La Loi exige que les paramètres suivants soient évalués :

Augmentation et diversification des services offerts aux expéditeurs et aux voyageurs

- Plus du quart des expéditeurs ayant participé à l'enquête ont fait état d'une amélioration de la qualité des services ferroviaires en 1988. Au plan opérationnel, le CN et le CP ont réduit la longueur de bon nombre de leurs trains afin d'en accroître la ponctualité. Les deux sociétés se sont également efforcées d'améliorer leurs services intermodaux.

- En ce qui concerne les services de transport aérien, toutes les régions du pays ont bénéficié de l'amélioration de leurs services en termes de vols additionnels, de capacité et de concurrence.

- Quant à l'industrie du transport de fret aérien, des progrès ont été notés au chapitre de la capacité et de la commodité, grâce à l'expansion des réseaux, à l'augmentation des fréquences de vols et à l'achat de nouvel équipement.

- Pour ce qui est du camionnage, les expéditeurs ont signalé que les services fournis par les firmes de camionnage pour compte d'autrui se sont améliorés ou sont demeurés stables en 1988. Ils se sont dits également très satisfaits des services fournis au chapitre des expéditions de charges complètes et de lots brisés.

- Les transporteurs maritimes desservant le Canada ont introduit du nouvel équipement et modifié leurs horaires ainsi que leurs ententes de nolisement d'espace.

Maintien des normes de sécurité du transport

- L'année 1988 a été caractérisée par l'amélioration de la sécurité des transports ferroviaires. Quant aux services commerciaux de transport aérien, le taux d'accident est demeuré pratiquement inchangé au Canada depuis 1983.

Des procédures de réglementation plus expéditives

- Au cours de l'année 1988, 185 demandes ont été déposées pour créer ou modifier des services aériens canadiens destinés aux régions du Nord. Quarante-six (25 p. cent) ont été traitées en moins de 90 jours et 117 (63 p. cent), dans un délai de 90 à 120 jours.

- Environ 70 p. cent des demandes d'exploitation de services canadiens dans les régions du sud du Canada ont été traitées en 30 jours ou moins.

- L'obligation statutaire de délivrer de nouveaux permis d'exploitation de transport aérien avant le 31 décembre 1988, pour remplacer ceux qui avaient été émis sous l'ancien régime, a été respectée. En tout, 1 638 permis intérieurs et 1 376 permis internationaux ont été émis.

- L'Office a reçu et traité 278 plaintes, officielles et officieuses, portant sur de nombreux aspects des services fournis par les transporteurs aériens. Il lui a fallu en moyenne 57 jours pour les traiter, mais 59 plaintes ont été réglées en moins de 15 jours.

- L'Office a reçu 35 plaintes ou demandes concernant les services ferroviaires, et plus de 40 autres ont été acheminées par le ministère des Transports concernant des problèmes de service. La majeure partie de ces dossiers ont été réglés dans les délais statutaires mais quelques-uns restent à traiter.

- L'Office a reçu 41 plaintes sur les services de transport pour les voyageurs handicapés, et 60 p. cent ont été réglées en moins de deux mois.

Au terme de cette première année complète d'application du nouveau régime de réglementation, les résultats sont encourageants; il est cependant trop tôt pour évaluer avec précision toutes les conséquences de la réforme. Une telle conclusion est tirée du fait que le monde du transport, notamment celui des utilisateurs, ne connaît pas encore la nouvelle législation à fond.

- Plus de la moitié des utilisateurs des services de transport ferroviaire ont rapporté que les dispositions relatives à l'accès à des services concurrentiels et au règlement des différends leur avaient été utiles dans leurs négociations avec les transporteurs ferroviaires. Un expéditeur sur cinq a déclaré que l'interconnexion avait eu une incidence positive sur son entreprise.

- L'enquête auprès des expéditeurs a révélé aussi que le taux d'utilisation des services intermodaux avait augmenté d'environ 5 p. cent en 1988. En moyenne, les services intermodaux ont été utilisés pour répondre à 15 p. cent des besoins des expéditeurs. Le principal type de service intermodal, mentionné par trois expéditeurs sur quatre, a été la combinaison rail-route.

- Expéditeurs et transporteurs ont indiqué la présence en 1988 d'un nombre accru de sociétés de camionnage sur tous les marchés. Pour ce qui est des expéditions de charges complètes, l'intensification de la concurrence est issue essentiellement des nouvelles firmes de camionnage sur le marché; du côté des expéditions de lots brisés, l'accroissement de la concurrence a résulté en majeure partie de l'expansion des opérations des firmes existantes. Cette intensification de la concurrence a été observée autant sur les marchés intérieurs que transfrontaliers.

- En ce qui concerne les services de transport aérien, la déréglementation avait commencé plus tôt dans la décennie. La création de deux grands groupes de transporteurs, liant les services de transporteurs nationaux, régionaux et locaux, a doté le pays de deux réseaux nationaux davantage compétitifs. Cette consolidation a entraîné une intensification de la concurrence sur les marchés interurbains achalandés ainsi que sur les marchés de services locaux.

- Avec l'apparition de nouveaux fréteurs et de petits transporteurs aériens locaux, le nombre de transporteurs indépendants a augmenté en 1988.

Évolution vers la rationalisation et l'efficacité

- Confrontés à un nouveau marché concurrentiel, le CN et le CP ont vu à la restructuration de leurs activités. Le CN a assaini son bilan en se départissant de certains de ses actifs non ferroviaires ainsi que de la société Grand Trunk Eastern aux États-Unis; il a cessé toute activité ferroviaire à Terre-Neuve et annoncé l'intention d'abandonner son réseau de l'Île-du-Prince-Édouard. De son côté, le CP a confié à une nouvelle division, la Canadian Atlantic Railway, le soin d'exploiter ses activités dans les provinces maritimes.

- Dans l'industrie du camionnage, la tendance à la consolidation de même qu'à la restructuration des trajets a permis d'avoir davantage de services ne requerrant qu'un seul transporteur sur des trajets inter-régionaux et d'accroître la portée des services offerts par les transporteurs établis.

- Dans l'industrie du transport aérien, les consolidations et les alliances ont intensifié l'utilisation du système dit « en étoile », qui permet aux grands transporteurs d'exploiter leurs gros appareils sur les trajets interurbains achalandés et de confier à leurs filiales la responsabilité essentielle de les alimenter en passagers. Ce type de service permet aux grands transporteurs de garder les passagers le plus longtemps possible sur leurs propres lignes, et d'augmenter ainsi leurs revenus.

- Les transporteurs aériens du Canada se sont lancés dans de vastes programmes d'acquisitions d'équipement afin d'atteindre une plus grande souplesse dans le déploiement de leur flotte et de maintenir leurs frais d'exploitation au niveau le plus bas possible.

- En 1988, les transporteurs maritimes ont offert des services avec une fréquence et un temps de transit comparables entre les ports canadiens et les ports étrangers; beaucoup ont mis en service des navires de plus grosse capacité.

SOMMAIRE

Avec la *Loi nationale de 1987 sur les transports*, la *Loi de 1987 sur les transports routiers* et la *Loi dérogatoire de 1987 sur les conférences maritimes*, l'industrie canadienne du transport est entrée dans une nouvelle ère de réglementation économique. Ces textes législatifs reconnaissent l'importance des services de transport dans l'amélioration de la position concurrentielle du Canada vis-à-vis l'économie mondiale et leur rôle dans la croissance économique de ses régions. Pour atteindre ces objectifs, des dispositions législatives spéciales ont été élaborées pour favoriser le développement d'un nouvel environnement compétitif et d'un réseau de transport efficace et adapté aux besoins des expéditeurs et des voyageurs. De plus, la structure de la réglementation a été simplifiée afin de favoriser l'accessibilité et l'interaction.

Ayant examiné la dynamique de l'industrie des transports en 1988, l'Office conclut que la première année de réforme de la réglementation a eu des effets positifs sur la performance et le potentiel de l'industrie. L'orientation générale des modifications à la structure, au fonctionnement et à la mise en marché des services de transport permet de penser que la réforme, bénéficiant d'une économie canadienne vigoureuse, a été bien accueillie.

OBSERVATIONS GÉNÉRALES SUR LA PREMIÈRE ANNÉE DE LA RÉFORME

Un environnement plus compétitif

- L'établissement de contrats confidentiels a été le principal mécanisme de concurrence utilisé par les expéditeurs et les transporteurs ferroviaires. Plus de 1 200 contrats confidentiels touchant un vaste éventail d'industries ont été déposés auprès de l'Office. Grâce à l'enquête effectuée auprès des expéditeurs, l'Office a pu établir que plus de 30 p. cent du trafic ferroviaire a été acheminé en 1988 selon les termes et les conditions de tels contrats. De plus, 75 p. cent des expéditeurs ferroviaires ont affirmé que leurs tarifs contractuels étaient inférieurs aux tarifs publiés.

TABLE DES MATIÈRES

Président
Office national des transports
du Canada

Chairman
National Transportation Agency
of Canada

L'honorable Benoît Bouchard, c.p., député
Ministre des Transports
Ottawa (Ontario)

Monsieur le Ministre,

Conformément à l'article 267 de la *Loi nationale de 1987 sur les transports*, j'ai l'honneur de vous présenter sous ce pli le premier examen annuel de l'Office national des transports du Canada pour l'année terminée le 31 décembre 1988.

À la suite de votre demande du 17 octobre 1988, le rapport comprend les résultats de l'étude spéciale des critères qui pourraient être utilisés dans la détermination d'un réseau ferroviaire essentiel capable de répondre aux exigences actuelles et futures du développement économique régional.

Veuillez agréer, Monsieur le Ministre, l'assurance de mes sentiments distingués.

Erik Nielsen

Erik Nielsen

Ministre des Approvisionnements et Services Canada
1989
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ERRATUM

SERVICES AÉRIENS

Les données préliminaires du trafic passagers pour l'année 1989 ont été révisées. Par conséquent, les tableaux 3.3 et 3.10 ainsi que le graphique 3.6 doivent être modifiés pour refléter les chiffres de 1989 du trafic passagers d'Air Canada sur ses services réguliers; le total passe ainsi de 11,321 millions à 13,693 millions. C'est ainsi que le pourcentage pour l'année 1989 par rapport à 1988 est de 0,1 et non pas de moins 17,2.

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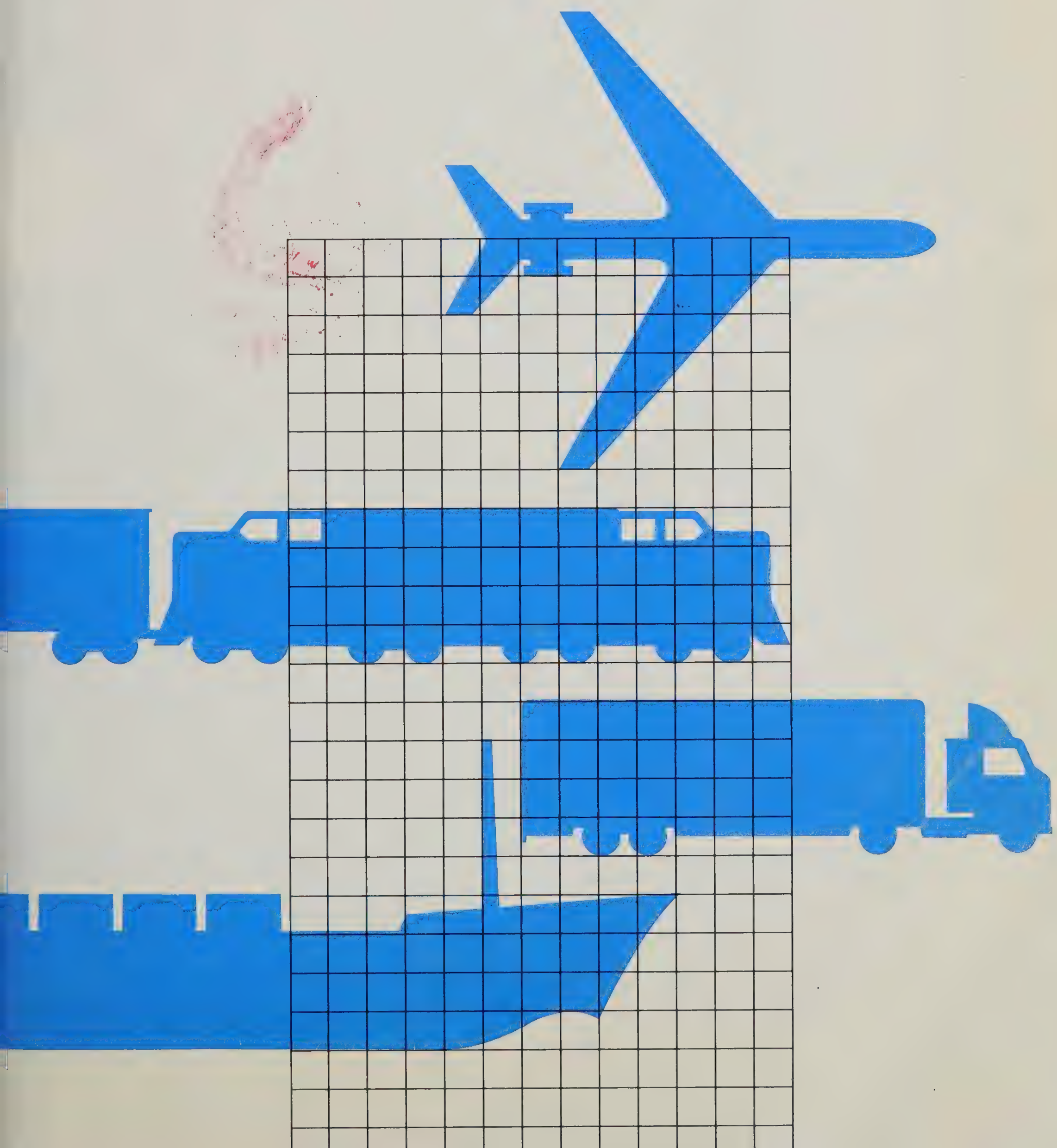
Note also that a revision to Canadian Airlines International's 1988 international traffic data reduces the 40 per cent growth figure referred to in paragraph 2 on page 32. Revised figures indicate that together, Air Canada and Canadian achieved an increase of almost 8 per cent in international passengers in 1989.

Canada

Office national des transports du Canada | National Transportation Agency of Canada

Examen annuel 1988



Canada

National Transportation Agency of Canada

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Annual Review 1989

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Chairman
National Transportation Agency
of Canada

Président
Office national des transports
du Canada

The Honourable Doug Lewis, P.C., F.C.A., Q.C., M.P.
Minister of Transport
Ottawa, Ontario

My dear Minister:

I have the honour to present herewith the second annual review of the National Transportation Agency of Canada, made pursuant to section 267 of the *National Transportation Act, 1987*, for the calendar year ended December 31, 1989.

Sincerely,

Erik Nielsen

Erik Nielsen

TABLE OF CONTENTS

EXECUTIVE SUMMARY

Transportation users continued to benefit from increased competition during year two of regulatory reform despite a weakening economy. While all modes of transportation were subject to increased competitive pressures, there were differences in nature and degree. Some faced increased competition from other modes of transportation while others felt competitive pressure from other companies within their own mode.

However, it is still too early to make definitive judgments about the impact of regulatory reform for the following reasons:

- shippers are still learning how to take full advantage of user-oriented provisions in the new legislation;
- carriers are also still adjusting to the new competitive environment; and
- events outside the transportation system, such as the Canada-U.S. Free Trade Agreement, are creating different transportation needs for Canadian users.

FARES - RATES

Data gathered by the Agency indicate that increases in transportation fares and rates were lower than inflation, with two exceptions -- business and economy class air fares and marine resupply freight rates in the Lake Athabasca system.

- In air transportation, business and economy fares increased at a higher rate than the Consumer Price Index. However, almost two out of every three passengers travelled on discount fares and enjoyed a wide range of price options.
- In rail transportation, the Agency's shipper survey and other railway data indicate that rates were held in check by competitive factors.
- In trucking, rates were generally more stable in 1989, although there was strong price competition in key transborder truckload markets.

- While marine resupply freight rates increased by three per cent in the Mackenzie River system and the Western Arctic (the same increase as 1988), the high increases in the Lake Athabasca system were a source of concern to shippers in that area.

With the exception of the water transport sector, labour costs in transportation operations increased at a lower rate than the labour costs in the economy in general. However, carriers were generally of the opinion that price reduction initiatives have gone as far as possible.

SERVICES

The majority of users surveyed reported either consistency or improvement in services offered in 1989 compared to the previous year.

- In air, there were minor service reductions in 1989 due largely to the weakened economy. However, service levels remained higher than in 1987 and much higher than in 1983, the year prior to air regulatory reform.
- Canada's two major carriers, Air Canada and Canadian, continued to withdraw from smaller domestic markets, concentrating their services on long-haul domestic, transborder and international routes. In general, communities no longer served by major carriers now receive a greater choice of flights in aircraft that are better suited to serve lower density markets.
- Despite the failure of a number of relatively-new charter carriers, the availability of low-priced travel services was essentially unchanged.
- In rail and trucking, shippers responding to Agency surveys were generally satisfied with service in 1989.

There were structural changes in 1989 including mergers, acquisitions, affiliations and bankruptcies. In general, these occurred with minimal disruption in services or inconvenience for users.

TRANSPORTATION ACTIVITIES

Traffic levels were lower in 1989 than the two previous years, largely because of economic factors. Carriers worked at minimizing adverse effects by introducing cost-reduction measures. There were also a number of long-term investments announced in all modes.

There has not been a marked increase in transborder traffic flow originating from Canada, despite implementation of the Canada-U.S. Free Trade Agreement. This is a reflection of slower growth in the United States economy and reduced competitiveness resulting from the appreciation of the Canadian dollar against U.S. currency (17.3 per cent since 1986).

ISSUES

Transportation issues in Canada centred around infrastructure-related matters. There were questions involving congestion at Pearson International Airport and the adequacy of air traffic control systems, expansion of the national highway system, levels of highway user fees and rationalization of railway networks. These issues were typically raised in the context of their impact on competition.

USER-CARRIER RELATIONS

In the more competitive environment, shippers are increasingly able to obtain transportation tailored to their needs through negotiation of contractual arrangements or through the selection of a carrier on the basis of competitive bids. The increasing use of confidential contracts in rail is one illustration of this trend.

The terms and conditions of transportation services negotiated by a firm in any particular industry are one of the factors determining its relative competitive position. As a result, specific details on transportation operations are considered commercially sensitive and both users and carriers protect such information against access by third party to maintain their relative competitive positions.

INTERMODAL TRANSPORTATION

The integration of modal services is becoming increasingly important to satisfy the transportation service needs of Canadian shippers. While there is competition involved in intermodal transportation, there is also considerable inter-dependence with each mode having an important stake in the other's health. Over one-third of shippers surveyed reported that they used intermodal services to move, on average, approximately one-fifth of their traffic. The development of total transportation packages, integrating the services of two or more modes, capitalizes on the relative strengths of each mode; improves service; minimizes costs; and maximizes efficiency and flexibility for shippers and users.

GLOBAL MARKETPLACE

Trends toward a more North American orientation of transportation activities continued in 1989.

In air services, the liberalization of North American air services remains constrained by the Canada-U.S. air bilateral agreements. Both countries agree on the need to have more liberal bilateral air relationships and will be working toward such an objective.

In rail, some recently introduced new double-stack rail services and the increased emphasis on North-South operations, are all indicative of a trend towards a continental approach to the North American rail shipper's needs.

In trucking, some U.S. and Canadian carriers have acquired trucking interests on opposite sides of the border. For Canadian trucking firms, these decisions were justified by operating cost differences for trucking services in each country but they also allow for repositioning on both sides of the border to run more efficient transborder and domestic operations.

In marine, ocean carriers view Canada and the United States as a single market for their services and as such, make adjustments to their operations according to supply and demand forces in the North-American market as a whole.

This trend towards a greater integration of North American transportation activities generates mixed but generally positive reactions. Shippers, carriers and terminal operators who see themselves as beneficiaries, foresee market opportunities and access to broader markets; others view it as a threat to their ability to stay in business and favour protective measures to prevent potential loss of business.

Under such an evolving situation, the operating, institutional and regulatory environments for transportation should be in harmony between trading countries to ensure the optimal use of transportation resources.

Major changes are occurring in the transportation marketplace, through regulatory reform and other factors such as the reduction of trade barriers. Together these factors are reshaping the Canadian transportation system to meet the needs of shippers and travellers in the 1990's.

INTRODUCTION

ANNUAL REVIEWS

The National Transportation Agency is required to review the operation of the new transportation legislation and report annually to the Minister for four years.

An important feature of the new transportation legislation is the requirement for an annual review of its impact on transportation in Canada. The reviews are intended to ensure that the Government is made aware of any potential problems.

The *National Transportation Act, 1987* (*NTA, 1987*), *Motor Vehicle Transport Act, 1987* (*MVTA*) and *Shipping Conferences Exemption Act, 1987* (*SCEA*) constitute Canada's new transportation legislation. Among the key objectives of this new legislation are the promotion of a more dynamic and competitive transportation environment through the lessening of economic regulation, the development of a transportation network serving the needs of shippers and travellers, and the promotion of economic growth in all regions of the country.

The *NTA, 1987* requires the Agency to conduct annual reviews for the years 1988 to 1991. The Agency's report on each annual review must be submitted to the Minister of Transport by May 31 of the following year. The Minister must then table the review in the House of Commons and the Senate within 15 sitting days. Once tabled, the review is public. In 1992, a comprehensive review will be conducted to cover the entire period since the Act's inception.

MANDATE OF THE ANNUAL REVIEW

The Agency's mandate in each annual review is restricted to considering and reporting on matters identified in the *NTA, 1987* which pertain to the economic regulation of transportation. The review is not a policy document although the Minister may recommend policy changes as a result of issues identified in the review.

The *NTA, 1987* identifies several specific matters that must be considered:

- changes in prices and levels of services offered to shippers and travellers;
- changes in structure, performance and employment levels in the transportation industry;
- the Agency's record in handling complaints, applications and other matters brought to its attention;
- effects of competitive line rates on railway companies;
- abandonment of railway lines;
- any additional matters that the Minister may refer to the Agency's attention. (For the 1989 review, the Minister did not refer any matter to the Agency.)

In conducting all its reviews, the Agency must give regard to the National Transportation Policy which states that Canada must be provided with "... a safe, economic, efficient and adequate network of viable and effective transportation services..." The reviews must also consider matters which by law must be addressed in the 1992 comprehensive review.

SCOPE OF THE SECOND REVIEW

The second annual review, like the first, covers all transportation modes under federal jurisdiction including matters specified in the Act. Both passenger and freight services are examined with the exception of rail passenger and inter-city bus passenger services. The review incorporates the views of government, private industry, and the public on a wide variety of issues including national and provincial policies, operational issues, carrier and user issues, and regulatory, institutional and financial matters.

HOW THE REVIEW WAS CONDUCTED

The review was based on information provided by numerous government and industry sources, supplemented by an extensive survey program.

In this review, Agency staff used the monitoring tools which were developed to provide reliable and comprehensive information on transportation in Canada for the first annual review. In some areas, where possible, coverage was enhanced.

The information base for the second review came from five primary sources:

- **Institutional data**

The list of government departments and agencies providing information includes Statistics Canada, Transport Canada, Consumer and Corporate Affairs, Labour Canada, Canada Labour Relations Board, Investment Canada, Office of the Superintendent of Bankruptcy, Ports Canada, Canadian Aviation Safety Board, and the Agency itself.

- **The Agency's survey program**

The Agency's survey program, initiated for the first review to overcome the deficiency of current information about transportation users and particular transportation activities, was used again in 1989 and its coverage was enhanced. Questionnaires were revised, modified and, in some cases, expanded.

Generally, survey response rates were high and representative of the industry. Data from the survey form a key element of the analysis reported in this review. Details about the survey including distribution, answer return rates and regional breakdowns, where possible, are included in Appendix A.

The Agency's survey program is composed of:

a) an all transport mode shippers' survey, conducted with the cooperation of the following associations:

Canadian Chemical Producers' Association
Canadian Exporters' Association
Canadian Fertilizer Institute
Canadian Horticultural Council
Canadian Importers Association
Canadian Industrial Transportation League
Canadian Manufacturers' Association
Canadian National Millers Association
Canadian Pulp and Paper Association
Canadian Shippers' Council
Coal Association of Canada
Council of Forest Industries of British Columbia
Grocery Products Manufacturers of Canada
Mining Association of Canada
Motor Vehicle Manufacturers' Association
Ontario Petroleum Association
Propane Gas Association of Canada Inc.
Quebec Industrial Commissioners Association
Quebec Lumber Manufacturers' Association
Quebec Mining Association
Retail Council of Canada
Sultran

In the 1989 shippers' survey, shipping lines were also invited to respond as users of surface transportation services.

b) three air transportation surveys, distributed to members of the Commercial Travellers' Association (CTA), travel agents belonging to the Alliance of Canadian Travel Associations (ACTA), and representatives of communities and Indian bands located in northern Canada.

c) two marine surveys on *SCEA*-related matters, one completed by shipping lines serving Canada on major trade routes and the other by freight forwarders. In addition, there was a survey of northern communities, Indian bands, federal and territorial governments, and northern businesses on marine resupply services in the Athabasca and Mackenzie systems.

d) a review of trucking services. An extensive interview program was conducted covering over 130 motor carriers, provincial, regional and national trucking associations, provincial licensing boards, transportation ministries and tariff boards plus a survey of owner/operators.

e) a carrier survey on services made available to travellers with disabilities.

- **Consultations**

Numerous consultations took place with shippers, carriers, provincial and territorial government officials, industry associations, consumer/user groups, port terminal operators, and other interested parties to gather further views and information on the specific review matters.

- **APTC's contracted study**

The Atlantic Provinces Transportation Commission, under contract with the Agency, conducted a study on the developments within Atlantic Canada resulting from legislative reform.

- **Interested Parties Assessment**

The review also takes into consideration submissions from interested parties dealing with their assessment of the impact of legislative reform to this point or matters which they felt needed analysis.

CANADA'S ECONOMIC PERFORMANCE IN 1989

Economic growth has a direct impact on transportation activities. The strength of this impact varies for each particular mode of transportation and depends upon which sectors of the economy have experienced the greatest changes.

The level of transportation activity is therefore sensitive to fluctuations in the economy and is affected by such variables as cost, service levels, convenience, and safety. These variables are addressed in other sections of the report.

This section presents an analysis of developments in the Canadian economy in 1989 which explains, in part, some observations made in other sections of the report.

GROWTH - HIGHLIGHTS

In 1989, the rate of growth slowed in Canada.

The Canada-U.S. Free Trade Agreement constitutes the main economic policy event of 1989.

In 1989, economic growth continued at a modest pace (2.9 per cent compared to 4.5 per cent in 1988). A marked change in the composition of growth was noted with increases in domestic demand slowing significantly in the second half of the year. This slowdown was attributed to a decline in consumer spending and lower levels of investment in machinery and equipment.

CONSUMER SPENDING

Consumer spending weakened in 1989.

Consumer spending incentives, such as larger than usual tax refunds associated with income tax reform, and enhanced automobile buyer incentive programs

were not sustained throughout the year. Although overall consumer spending flattened, spending on services grew at a stable rate. Yet declines in spending at hotels and restaurants were reported for the first time since the end of 1986 -- a situation indicative of 1989 inter-city travel trends.

Personal income growth slowed, reflecting slower growth in interest and investment income. Personal disposable income increased at near 1988 levels. However, savings rate increases, first identified in 1987, were maintained -- a fact explained by lower consumer confidence and higher interest rates. This led consumers to delay major discretionary purchases, including discretionary travel decisions.

HOUSING

Throughout 1989, housing demand remained strong despite high interest rates and generally higher prices in most markets across the country. The high level of housing starts reflected increased residential construction activity outside central Canada, particularly in British Columbia and Alberta. Changes in mortgage rates during the year also had an important effect on fluctuations in housing demand.

BUSINESS INVESTMENT

The growth in Canadian business investment increased in 1988. But the investment boom continued in 1989 fuelled by two years of strong growth in corporate profits, high levels of capacity utilization in a majority of manufacturing industries, a steady inflow of foreign investment -- particularly from the Far East -- and a surge of investor confidence stemming from the Canada-U.S. Free Trade Agreement. Wide interest rate premiums on Canadian investments relative to U.S., German and Japanese investment options also explain the huge inflow of investment.

Commercial construction slowed and investment in machinery and equipment fell. Profit growth levels slowed significantly due to rising labour costs and high interest rates.

GOODS PRODUCING INDUSTRIES

Weak newsprint markets (which rely heavily on rail but also use truck services), price discounting in U.S. fine paper markets and the stronger Canadian dollar meant falling profits for most integrated forest products companies.

Base metal markets weakened due to reduced U.S. auto production, weak non-residential construction starts in the United States and an expected slowdown in international business investment.

INFLATION

Underlying cost pressures rose in 1989.

Inflation affects the pricing, costs and revenues of transportation activities.

Consumer Price Index (CPI) increases escalated in the last months of 1988 and in the first half of 1989. The effects of tight labour and product markets on inflation were masked to a significant degree in 1988 by the appreciation of the Canadian dollar and the decline in world oil prices. Some of these favourable factors were reversed in 1989.

The rate of inflation, as measured by the CPI, increased to five per cent in 1989, up from 4.1 per cent in 1988. The 1989 increase was the largest since the 5.8 per cent rise reported in 1983. The reacceleration of inflation has been linked to excess demand pressure.

The 1989 increases in the CPI major components ranged between 3.7 per cent for food and 9.3 per cent for tobacco products and alcoholic beverages. Higher than average increases were noted for housing (5.3 per cent) while clothing (4.1 per cent), recreation, reading and education (4.4 per cent) showed below average increases.

During the second half of 1989, industrial product prices and raw material prices maintained a downward trend and showed yearly increases in 1989 of only 0.2 per cent and 0.4 per cent respectively. Prices of most base metals slipped, the most notable declines being in copper and nickel. Price changes in some products destined for the export market, such as paper and automobiles, were restrained by the rising Canada/U.S. exchange rate and weak U.S. demand. Non-residential building construction prices in Canada posted a 6.8 per cent increase, while farm input prices increased 2.9 per cent. The price of energy, one of transportation's key inputs, increased by 7.3 per cent in 1989.

REGIONAL ECONOMIES

Activity in Atlantic and central Canada softened while Western Canada out-performed other regions.

The strengths and weaknesses of regional transportation activities can be explained by the performance of regional economies.

The British Columbia economy was sustained in 1989, by strong investment and consumer spending, bolstered by robust employment growth, real wage gains and population growth. Housing starts exceeded expectations. In Alberta, the economy was undermined by a downturn in drilling activities but was supported by the strong demand for natural gas, substantial investment in the growing pulp and paper sector, strong consumer spending and housing market. Given the overwhelming position of agriculture in the Saskatchewan economy, the 1989 recovery in crop yields was less than expected. Population declines and uncertainty about the success of the crop also affected consumer spending and the housing market. Manitoba's economy was much stronger in 1989 due to a better harvest, employment gains and increased consumer spending.

In Ontario, 1989 was a year of economic slowdown coming mostly from the housing sector. The performance of the Quebec economy during 1989 was below expectations, with the housing market especially weak and non-residential investment strong.

The New Brunswick economy was stronger than expected in 1989 due to increased investment activity. With the exception of Halifax, most other parts of Nova Scotia showed signs of a weakening economy, with the most prominent industries -- fishing, mining and forestry -- facing problems. In Prince Edward Island and Newfoundland, economic growth underwent a slowdown in 1989.

INTERNATIONAL TRADE

The strong Canadian dollar had a major impact on both imports and exports.

More than a quarter of Canada's economic activities are related to external trade, with the United States being Canada's most important trading partner. Efficient transborder and international transportation operations are essential to Canada's trade with the rest of the world.

The slow growth in domestic demand in the United States and the strong Canadian dollar made Canadian exports less competitive. Exports edged up whereas imports advanced at a relatively higher rate.

Continued investment spending by Canadian businesses led to further increases in imports of machinery and equipment. Exports were also affected by the poor 1988 wheat crop and a decline in lumber shipments related to weak housing starts in the United States. Wheat exports use water, rail and/or road transport services. Lumber is exported from British Columbia to the United States using primarily rail services, and from Eastern Canada using mostly trucking services.

Canada's merchandise trade surplus was cut in half in 1989. A lower surplus with the United States accounts for most of Canada's trade erosion. Motor vehicle exports represent one-third of our bilateral merchandise trade with the United States, and the drop in auto and parts sales is a major cause of the decline in our trade surplus. In addition, this industry uses truck and rail services. Forest product exports rose but prices were lower. Metal products reached a record despite a sharp drop in prices. Metal ores shipped to the United States move mostly over road though also by rail and water. Domestic oil production dropped, trimming the energy surplus. Natural gas receipts rose as tighter U.S markets boosted exports.

On the services side, the strong demand from Canadian travellers for international transportation services, encouraged by a stronger currency, led to a noted deterioration in the domestic travel account.

INTERNATIONAL ECONOMIC ENVIRONMENT

Canada's major trading partners, especially the United States, reported more moderate growth.

The 1989 global economic environment was somewhat less robust than in previous years. Real economic growth in the seven major industrial economies (G-7) remained strong in 1989 but was in a downward cycle. Business non-residential investment continued to lead growth in each of the G-7 countries. At the same time, consumer spending slowed, and growth in American domestic demand remained significantly lower than that of its major trading partners. Inflation continued to rise in the G-7 countries.

AIR SERVICES

HIGHLIGHTS OF 1989

Affiliate Networks

The Air Canada and Canadian Airlines International families evolved further in 1989 with strong growth among regional affiliates. These airlines expanded all aspects of their operations, adding jets to their fleets and taking over more routes from the parent carriers.

Wardair

PWA Corp. purchased the failing Wardair in January for about $250 million. After unsuccessful efforts to continue the operation of Wardair as a separate airline, PWA Corp. decided to amalgamate it with Canadian and sell off its fleet.

Intair

Intair, formerly Inter-Canadien, severed its ties with the Canadian family and commenced operations as an independent carrier. It deployed its modern mixed fleet over a large eastern Canada network, with ambitions to capture a share of traffic in the Toronto-Ottawa-Montreal corridor.

Tariffs

Most air fares increased in 1989 as the airlines moved to recover from the costly price competition of the previous year; but almost two out of three passengers continued to travel on discount fares. The new price leaders on long-haul domestic routes were the charter carriers.

Carrier Performance

Air Canada achieved record earnings of $149 million, although this was largely due to the sale of investment holdings in GPA Group; the amalgamation of Wardair and Canadian produced an operating loss for PWA Corp.

REGULATORY REFORMS

The *National Transportation Act, 1987*

The NTA, 1987 *removed the bulk of economic regulation in southern Canada, reduced it somewhat in the north, and left the regulation of international air services relatively untouched.*

Market entry is no longer based on the standard of public convenience and necessity. For southern Canada, an applicant must be Canadian, have an operating certificate, and have adequate liability insurance. Southern licences can no longer be restricted. For northern Canada, the onus is on any objector to show why an application for a licence should not be granted.

To exit from a domestic market, carriers must now give 120 days advance public notice.

Domestic tariffs no longer have to be filed -- only published. There is restricted regulatory control over fares on monopoly routes in the southern zone and on all northern routes. Confidential contracts between carriers and travellers/shippers are now permissible for domestic air transportation.

INDUSTRY STRUCTURE

Carriers and Licences

By the end of 1989, there were almost 1,900 carriers holding over 3,500 licences to operate air services in Canada or to and from Canada.

Carriers

During the year, the Agency licensed 80 new domestic carriers. Fifty-four of these new licensees were authorized to operate to, from, or within northern Canada.

By the end of 1989, there were 858 licensed domestic carriers. This is still down from the 1,250 licensees at the end of 1987 when about 350 carriers, who provided contract, flight training and other specialty air services, were no longer subject to licensing requirements and when another 150 carriers (mainly inactive) failed to meet the new "fit, willing, and able" criteria for the issue of replacement licences in 1988.

There were also 21 voluntary cancellations, four proposed mergers or acquisitions (the most notable being the purchase of Wardair by PWA Corp.), and three bankruptcy filings, by Holidair, Minerve Canada, and Aviation Lac St.-Augustin Enrg.

A total of 938 foreign air carriers, 38 more than in 1988, provided service to and from Canada in 1989.

Licences

At the end of 1989, Canadian carriers held 1,803 domestic licences, up from 1,631 a year ago. Of these, 846 were for authority to provide air service in southern Canada while 957 authorized the holders to provide air service to, from, or within the designated northern area.

The number of international licences held by both Canadian and foreign carriers increased to 1,709 from 1,475 in 1988. The following table shows the distribution of these licences.

Majors and Affiliates

The major carriers focused on mainline domestic and international routes while their regional affiliates continued to expand all aspects of their operations.

Air Canada and Canadian, Canada's major airlines, moved to strengthen their competitive position on both international and domestic fronts in 1989.

Strong projected growth in **International** air travel coupled with the worldwide spread of airline deregulation and privatization has led to the formation of global airline networks -- a trend known as globalization. For large-scale airlines such as Air Canada and Canadian, the establishment of alliances with other large international air carriers is a necessary strategy to compete with evolving multinational mega-carriers for expansion in profitable international markets.

In 1989, Air Canada added to its web of alliances with other major airlines, which now includes Cathay Pacific, Singapore Airlines, Air New Zealand, Austrian Airlines, Trans World Airlines, and Royal Jordanian Airlines. It also added six new European destinations (Lisbon, Madrid, Nice, Zagreb, Birmingham and Athens) to its network, and plans further expansion into Pacific Rim markets.

Canadian established ties with Air France, Lufthansa German Airlines, Japan Air Lines, Scandinavian Airlines, and Midway Airlines; several new points were added to its network including London, Manchester,

TABLE 3.1
Air Transport Licences

	1988		1989	
Domestic Licences				
Southern Canada		782		846
Northern Canada		849		957
Scheduled	102		129	
Non-Scheduled	747		828	
International Licences				
Held by Canadian Carriers		532		649
Scheduled	87		116	
Non-Scheduled	445		533	
Held by Foreign Carriers		943		1,060
Scheduled	105		123	
Non-Scheduled	838		937	
Total		**3,106**		**3,512**

Paris, San Juan (all ex-Wardair routes), Copenhagen, and Nagoya, Japan.

Further arrangements were made by Air Canada and Canadian to link the jointly-owned Gemini computer reservation system with the world-wide Apollo system, under development for a consortium of large U.S. and European airlines.

In the **domestic** environment, maturing Canadian markets offer less potential for growth. Hence, emphasis was placed on improving efficiencies within the carriers' established operations. The evolution of the two large carrier families headed by Air Canada and Canadian continued through 1989, producing expanded roles for several of the regional affiliates; however, this ongoing trend was overshadowed by two events which affected the Canadian air transport industry, but more particularly, the Canadian family.

In January 1989, PWA Corp. (Canadian's parent company) announced its agreement to purchase the failing Wardair, thereby ending Wardair's aggressive bid to establish itself as Canada's third major scheduled airline. Initially, PWA Corp. stated its intention to continue the operation of Wardair as a separate company but, after several months of severe losses, the decision was made to amalgamate the company with Canadian and dispose of its remaining fleet.

On the heels of the announcement of this amalgamation, Canadian's regional affiliate in Quebec, Inter-Canadien, announced plans to terminate its commercial agreement with Canadian and commence independent operations as Intair Airlines, serving 39 destinations in Quebec and four neighbouring provinces.

Meanwhile, Canadian's Atlantic region partner, Air Atlantic, more than doubled its fleet, added new transborder connections to points in New England, and ordered three jet aircraft.

Ontario Express also added points to its network in 1989 and placed orders for new turboprop aircraft which will double its 19-plane fleet. The company purchased Frontier Air, a move which represents an extension of the major/affiliate concept to include small local-service airlines. Frontier Air serves as a feeder service which links 20 points in northern Ontario with the Ontario Express and Canadian networks.

Calm Air, of all the Canadian partners, experienced the least change in 1989 with no additions to its fleet and only minor reductions in its network.

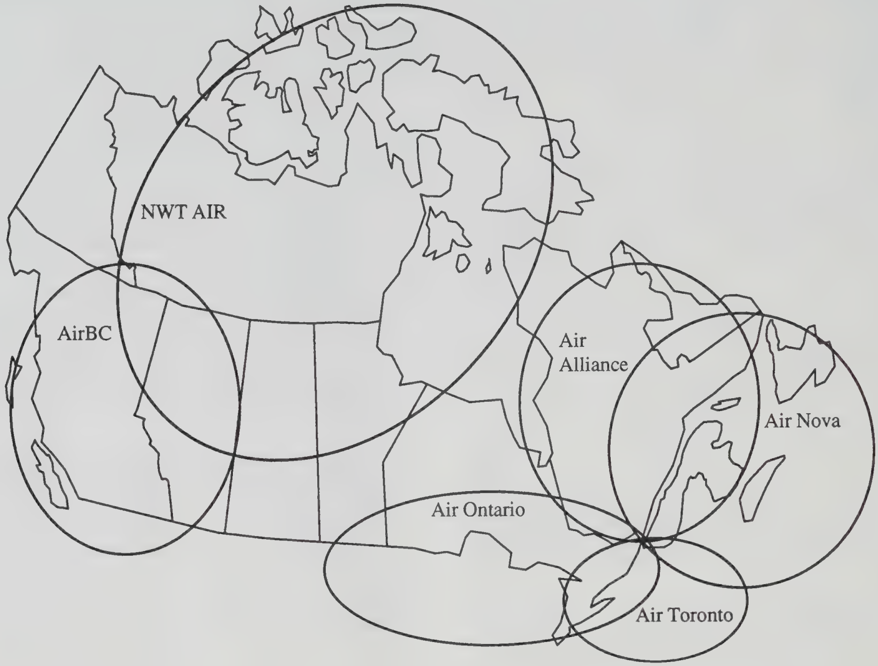
Time Air increased its fleet and expanded its large western network with the addition of Seattle, Washington, which it took over from Canadian. The airline achieved dramatic growth with passenger traffic reaching 1.25 million in 1989.

In the North, Canadian established a separate operating division called "Canadian North". This division handles passenger and freight services across Canadian's extensive northern network with a dedicated all-jet fleet.

The Canadian family achieved considerable expansion among its regional affiliates but the parent airline suffered organizational disruption and financial setbacks from its absorption of Wardair. Canadian lost market share to Air Canada and has adopted a program of cost-cutting and down-sizing fleet capacity to line up more closely with projected demand.

In Air Canada's family, the privatization of the parent company was completed in July 1989 when the federal government released its remaining 55 per cent equity holding. With government involvement removed from Air Canada's business operations, the terms of competition in the industry were evened. During 1989, Air Canada continued to refine its network operations, concentrating on high-density mainline routes while transferring services to lower-cost regional affiliates. As in the Canadian family, roles of the regional affiliates expanded.

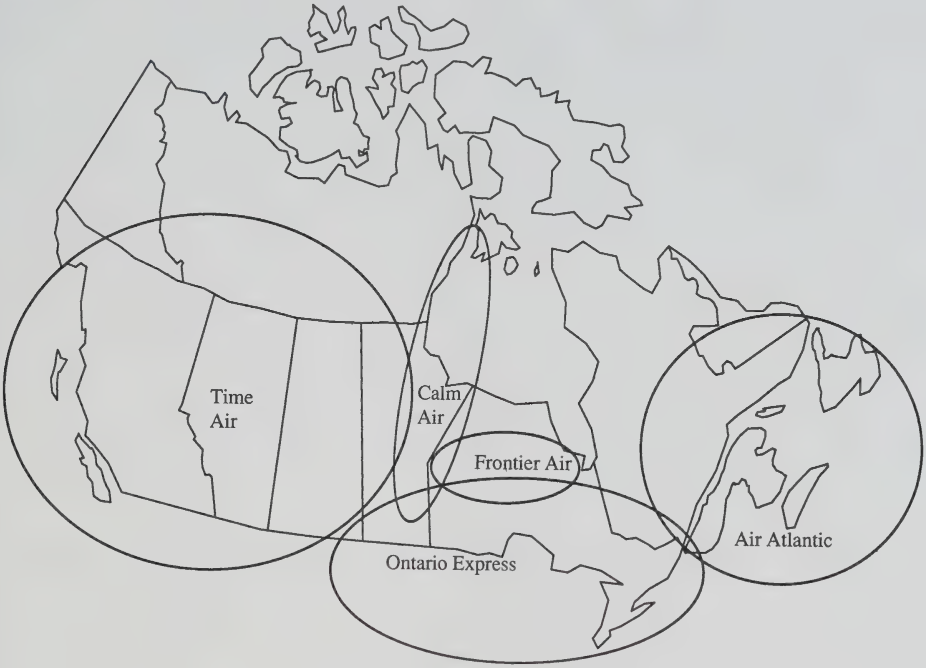
FIGURE 3.1
LIAISON AIR CANADA CONNECTOR



Carrier	Network	Fleet
Air Canada	66 points in all 10 provinces, the U.S., the Caribbean, Europe, Southeast Asia, and Venezuela.	115 jets
Air Nova (49% owned by Air Canada)	14 points in Newfoundland, Nova Scotia, Prince Edward Island, and New Brunswick; Boston, Montreal, Ottawa, and Quebec City.	4 jets 9 non-jets
Air Alliance (75% owned by Air Canada)	11 points in Quebec; Ottawa and Boston.	9 non-jets
Air Ontario (75% owned by Air Canada)	14 points in Ontario; Montreal, Winnipeg, Cleveland, Detroit, and Hartford.	17 non-jets
Air Toronto (code sharing agreement with Air Canada)[1]	Service between Toronto and 10 northeastern U.S. cities.	10 non-jets
AirBC (85% owned by Air Canada)	26 points in B.C. and Alberta; and Seattle.	5 jets 26 non-jets
NWT Air (90% owned)	8 points in the Northwest Territories; Calgary, Edmonton and Winnipeg.	2 jets 6 non-jets

[1] In April 1990, Air Canada announced an agreement in principle to purchase Air Toronto from Soundair Corp.

FIGURE 3.2
CANADIAN PARTNERS



Carrier	Network	Fleet
Canadian Airlines International (100% owned by PWA Corp.)	54 points in all 10 provinces and both territories, the U.S., Europe, Central and South America, the South Pacific, and Asia.	85 jets
Canadian North (a division of Canadian Airlines International)	24 points in the Northwest Territories, Quebec, Manitoba, and Alberta.	8 jets
Air Atlantic (45% owned by PWA Corp.)	15 points in Newfoundland, Nova Scotia, New Brunswick and Prince Edward Island; Bangor, Boston, Portland, Montreal, and Quebec City.	15 non-jets
Ontario Express (49% owned by PWA Corp.)	13 points in Ontario; Brandon, Montreal, Winnipeg, and Pittsburgh.	19 non-jets
Frontier Air (100% owned by Ontario Express)	20 points in Ontario; and Winnipeg.	11 non-jets
Calm Air (45% owned by PWA Corp.)	24 points in Manitoba and the Northwest Territories.	15 non-jets
Time Air (46% owned by PWA Corp.)	35 points in B.C., Alberta, Saskatchewan, and Yukon; Minneapolis, Seattle, and Winnipeg.	3 jets 28 non-jets

WARDAIR CANADA INC.

Wardair's determined bid to establish itself as Canada's third major airline ended on January 19, 1989 with the announcement that the company would be sold to PWA Corp. for some $250 million in cash and shares.

Wardair had initially gained prominence as an international charter carrier, operating services to destinations in Europe, the U.S. and the Caribbean. The company built a reputation for high-quality service at lower prices and by 1985, had parlayed its international success into a solid domination of the domestic Canadian charter market. In the liberalized regulatory environment of the mid-eighties, Wardair was granted domestic scheduled airline status and in 1986, began operating services on high-density routes between Montreal, Toronto, Calgary, Edmonton and Vancouver. (Winnipeg was added in 1987; Ottawa in 1988.)

The company re-equipped its fleet with new Airbus wide-body aircraft and employed an aggressive price-cutting strategy to attain a target 20 per cent share of passenger traffic, but both Air Canada and Canadian matched the lower fares, forcing Wardair to cut prices even further. Despite intense competition, the challenger's market share reached 18 per cent; however, Wardair suffered an operating loss of $57.7 million in 1988 and simply could not sustain the costly battle.

PWA Corp.'s acquisition of Wardair was reviewed by the National Transportation Agency and the Department of Consumer and Corporate Affairs. While both were concerned with the anticipated lessening of competition, approvals were ultimately given to avoid the alternative of certain bankruptcy for Wardair.

Although PWA Corp. had expressed its intention to run Wardair as a separate company, a certain amount of rationalization was required with the operations of Canadian. After officially taking over in April 1989, the new management set about coordinating the airlines' schedules and eliminating duplicate flights. Wardair's business and economy fares were increased by 15 to 20 per cent to match Canadian's. Subsequently, some of Canadian's transcontinental flights (representing additional capacity built up during the previous year's battle for market share) were discontinued and aircraft were pulled out of service. Wardair service was withdrawn completely from the Toronto-Ottawa-Montreal routes. But the losses continued, and further cost-cutting measures were implemented; Wardair's reservation system was transferred to Canadian's Pegasus and the two airlines were brought under a single management group. Departments were consolidated and management ranks were thinned. There were reported layoffs amounting to some 1,900 employees.

Canadian's market share had dropped every month since May, and the company reported an operating loss of over $35 million for the first half of the year. The continuing loss of market share to Air Canada finally triggered an announcement in October that Canadian and Wardair would be amalgamated. PWA later decided that Wardair's fleet would be sold to eliminate substantial overcapacity and to reduce PWA's heavy debt load in anticipation of a general slow-down in passenger traffic.

An examination of the effects of the PWA/Wardair merger on those routes previously served by Wardair shows that total weekly seat capacity decreased by about 12 per cent from 1988 levels, with the largest drops occurring in the Toronto-Montreal and Toronto-Winnipeg markets. In terms of direct flight frequencies on Wardair's former network, the same large decreases showed up in the Toronto-Montreal and Toronto-Winnipeg markets, while frequencies on almost all of the other routes actually increased. The additional frequencies are attributable to other carriers (Air Canada and several charter carriers) moving into the gaps left by Wardair's withdrawal and Canadian's reduction of capacity. The decrease in the Toronto-Montreal market may be short-lived as Air Ontario and Intair will soon join City Express and Ontario Express in operating more turboprop connections out of the Toronto Island and Buttonville airports.

Although there were some cutbacks following Wardair's demise, levels of service and capacity both remain substantially higher than in 1987 (Wardair's first full year as a scheduled carrier), and close to double 1983 levels. While Wardair's lower fares are gone now, they have been replaced in part by new fare options offered by the increasingly active domestic charter operators such as Canada 3000 and Worldways.

Air Nova incorporated Bathhurst into its 18-point network and added new aircraft to its mixed fleet.

Air Canada's Quebec-based connector, Air Alliance, tripled its fleet, added five new points (including Boston) to its network, and increased frequencies on major Quebec routes.

Air Ontario consolidated its system in 1989, selling off its northern Ontario operations --including an assortment of aircraft -- to Air Creebec.

AirBC added new turboprop and jet aircraft to its already large fleet, and offered new services at several Alberta points. AirBC also supplies charter jet capacity to tour operators serving western U.S. vacation spots.

Air Canada's northern affiliate, NWT Air, increased its fleet and network, providing another example of the extension of the major/affiliate concept to include smaller local-service airlines; the NWT Air connector family now includes Buffalo Airways, Nunasi Northland, Delta Express, Simpson Air, and Western Arctic Air. NWT Air also provides charter services.

Air Toronto continued to provide transborder connections out of Toronto utilizing an expanded fleet.

Independents

Intair replaced Wardair as the largest independent airline while charter carriers expanded their domestic operations.

The major change in the ranks of independent airlines was the replacement of the largest non-aligned carrier, Wardair, by the newly-christened Intair Airlines. Intair forecast traffic levels of about one million passengers in 1989.

First Air continued to be a large regional niche carrier, serving an extensive northern network in competition with Canadian North and NWT Air. In addition to its scheduled northern operations, the airline continued service to Mirabel and Boston out of Ottawa, and flew passenger charters to Florida, Caribbean, and Mexican vacation spots. It also operated chartered cargo flights for a U.S. carrier, Emery Air Freight, and a scheduled passenger service to the U.S. on behalf of a foreign airline (El Al).

In 1989, City Express consolidated its network by withdrawing from London, Detroit, Quebec City, Sept-Iles and Wabush to concentrate on the high-density, Toronto-Ottawa-Montreal and Newark markets.

INTAIR

The airline industry's newest and largest independent was formerly known as Inter-Canadien and operated as Canadian's regional feeder in Quebec. Its extensive network, which evolved through the combination of the former Nordair-Metro and Quebecair systems, serves all regions of Quebec, as well as points in Ontario, Newfoundland, New Brunswick, and Prince Edward Island. During the fourth quarter of 1989, Intair operated about 1,100 flights per week covering a total of 39 destinations. It has a modern mixed jet and turboprop fleet.

As an affiliate, Inter-Canadien's operations were defined in its agreement with Canadian. As an independent, Intair plans to become a major carrier covering all of eastern Canada. Initially, Intair has targeted the high-density Toronto-Ottawa-Montreal corridor for expansion and in November, after a well-publicized skirmish with Canadian over landing-slots at Pearson International, commenced offering seven daily jet flights between Toronto, Montreal and Quebec City. Despite low-priced introductory fares, Intair's management deny any intention of continuing with a price-cutting strategy.

By year-end, Intair was operating more daily jet flights between Montreal and Toronto than Wardair had, competing head-to-head with Air Canada and Canadian for a 15 per cent slice of this lucrative corridor traffic. Additionally, Intair was operating its own terminal at Montreal's St. Hubert airport, developing it as a secondary hub to serve the south shore of the St. Lawrence River and to offer turboprop service to Toronto Island airport.

Intair uses American Airlines' SABRE computer reservation system, and offers a frequent flyer program in cooperation with both American Airlines and KLM. Its operating revenues for 1989 were forecast at $140 million on boardings of about one million passengers.

CHARTER CARRIER BANKRUPTCIES

Two jet charter carriers, HOLIDAIR and MINERVE CANADA, filed for bankruptcy in late 1989; three more, VACATIONAIR, POINTS OF CALL, and CROWNAIR ceased operations in early 1990. All five had entered the international charter market within the last two years.

Passengers have been left stranded at their destinations as a result of carrier failures. Some of these were protected by provincial legislation (e.g. residents of British Columbia, Ontario and Quebec); some were compensated by travel insurance; but others, unfortunately, incurred considerable extra expenses to return home.

These disruptions have had limited effect on the overall supply of low-priced travel options. Other carriers in the charter industry such as NATIONAIR, WORLDWAYS, ODYSSEY INTERNATIONAL, CANADA 3000, and AIR TRANSAT are increasing their fleets and adding new destinations, while scheduled carriers continue to supplement their operations with substantial charter programs.

It supplemented these operations with charter flights in northern Quebec and on transborder routes.
City Express has taken steps towards the negotiation of a feeder agreement with Continental Airlines, a U.S. carrier.

Other large niche carriers expanded their operations during the year; for example, Air Creebec purchased Air Ontario's northern operations based at Timmins, thereby creating an extensive 20-point network covering north-western Quebec and northern Ontario. The airline deployed its new Dash-8 turboprop on routes such as Montreal-Val D'Or, in direct competition with jet and turboprop services operated by Air Canada, Canadian, Air Alliance, and Intair.

Among small independent carriers, several were tied into feeder networks as regional affiliates as both the Air Canada and Canadian family extended the affiliate concept to a third tier. Ontario Express purchased 100 per cent of Frontier Air, and NWT Air negotiated commercial agreements with five local-service carriers.

Northland Air Manitoba added a new Dash 8 to its mixed fleet of 14 piston/turboprop aircraft, and continued to compete with Canadian and Calm Air in Manitoba.

Another significant development in 1989 was the movement of large charter carriers into popular long-haul domestic routes -- notably, those served previously by Wardair. Charter flights replaced some of the former Wardair capacity, but more importantly, provided a continuing source of low-priced fare options.

Canada 3000 operated 26 flights between Toronto and Vancouver during the August-to-October period, using new B-757 aircraft and offering return fares of $299. Vacationair provided B-737 service between Toronto-St. John's (34 flights), Toronto-Edmonton (34 flights), Toronto-Calgary (60 flights), and Toronto-Vancouver (14 flights) and also offered low return fares. Worldways put on 152 flights between Toronto and Vancouver, Calgary, Edmonton, Charlottetown, Halifax and St. John's using a variety of jet aircraft and offered return fares in the $199 - $329 range.

There was considerable expansion activity in the charter industry; several carriers added large jets to their fleets, including Air Transat (1 L1011), Worldways (3 B-727's, 2 L1011's), Nationair (1 B-747), Canada 3000 (2 B-757's), and Odyssey International (2 737-300's). On the other hand, there were some failures among the smaller charter carriers.

Capacity Shares

Both Air Canada and Canadian shifted capacity from domestic to transborder and international markets while their affiliates and independent carriers increased capacity.

Structural developments in the airline industry are reflected in the capacity figures outlined in Table 3.2.

Air Canada's share of total capacity remained stable at about 31 per cent, although a shift towards transborder and international markets is evident. Air Canada's regional affiliates, representing 15 per cent of total capacity, showed strong growth as they continued to take over routes from the parent airline.

Canadian also shifted capacity into transborder and international markets, but after the rationalization and cutbacks stemming from the Wardair acquisition, Canadian's share of overall industry capacity dropped

to less than 26 per cent. Wardair's operations were slashed by more than 85 per cent with the largest cuts occurring on domestic routes. Canadian's regional affiliates showed the same strong growth as Air Canada's; however, the loss of Inter-Canadien resulted in a 6.2 per cent decrease in their scheduled departing seats from 1988 and dropped their share of total capacity to slightly below 14 per cent.

The transfer of Intair (formerly Inter-Canadien) to the independent category, combined with a general expansion of independent airlines' services in northern markets, raised the independents' share of total domestic capacity to about 13 per cent.

CONCENTRATION VERSUS COMPETITION

Canada's airline industry was more competitive in 1989 than it was before the relaxing of regulatory controls in 1984.

The formation of the two large carrier families headed by Air Canada and Canadian Airlines International has been associated with increased consolidation in Canada's air transportation industry. The question of consolidation arose again with PWA Corp.'s acquisition of Wardair and its subsequent amalgamation with Canadian. Canada's airline industry has always been concentrated, but when examined closely, be it in terms of passengers carried, passenger-kilometres, arriving/departing flights, seats offered, etc., it is less

TABLE 3.2
Total Scheduled Departing Seats per Week: Fourth Quarter

	DOMESTIC		TRANSBORDER		INTERNATIONAL		TOTAL	
CARRIER	1989	% Chg.	1989	% Chg.	1989	% Chg.	1989	% Chg.
Air Canada	278,233	(4.7)	42,864	17.1	15,829	13.1	336,926	(1.6)
Affiliates	155,463	21.8	8,389	23.4	0	N.A.	163,852	21.9
Sub-Total	**433,696**	**3.4**	**51,253**	**18.1**	**15,829**	**13.1**	**500,778**	**5.0**
Canadian	252,985	(19.0)	10,316	57.0	10,450	14.1	273,751	(16.5)
Wardair	4,312	(91.9)	392	(16.8)	4,116	(43.3)	8,820	(85.6)
Affiliates	140,812	(7.0)	4,325	28.5	220	25.0	145,357	(6.2)
Sub-Total	**398,109**	**(23.0)**	**15,033**	**51.3**	**14,786**	**14.3**	**427,928**	**(11.4)**
Independents[1]	138,594	84.8	2,661	7.5	562	(64.2)	141,817	79.4
Total	**970,399**	**(4.1)**	**68,947**	**22.5**	**31,177**	**(3.0)**	**1,070,523**	**(2.7)**

Notes: ( ) indicates negative figures.

[1] Includes Intair's capacity which, as Inter-Canadien in 1988, was reported as a Canadian affiliate.

Sources: Air Statistics and Forecasts, Policy and Coordination, Transport Canada; Official Airline Guides

dominated by one airline now than it was before the relaxing of regulatory controls in 1984.

At that time, Air Canada carried well over one-half of all passenger traffic and accounted for almost two-thirds of all passenger revenues. The next largest market shares were held by Canadian Pacific Airlines, with 18 per cent of passenger traffic, and Pacific Western Airlines, with about 16 per cent. The industry operated as a three-level airline system with smaller airlines functioning as collectors and distributors for larger regional and national mainline carriers. There were very few routes in the network served by more than one carrier and the level of competition was carefully controlled by the regulatory authority.

By 1989, Air Canada's former dominance had been largely eroded with its share of total passenger traffic slipping closer to 40 per cent. Canadian (including Wardair) had risen to about 33 per cent while Air Canada's and Canadian's regional affiliates split another 20 per cent between them. Figures are not available for all independents, but Intair alone would represent more than a three per cent share.

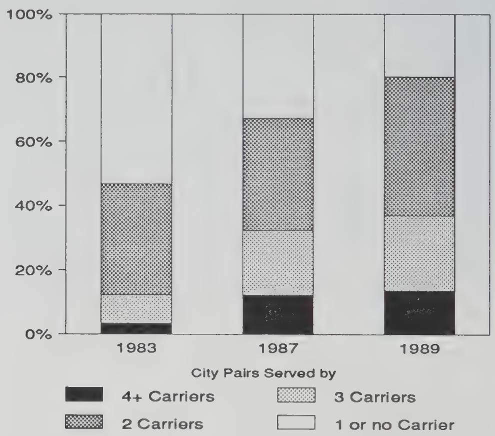
But concentration only becomes an issue when it translates into domination at the route level. Among the top 146 domestic city-pairs, which account for almost 90 per cent of passenger traffic in Canada, the proportion served by two or more competing carriers rose from 44 per cent to 77 per cent between 1983 and 1989. (See Figure 3.3.)

Among the top 42 communities in the network, where about 95 per cent of domestic passengers originate or terminate their travel, all had at least two scheduled carriers in 1989 while one-half of them were served by five or more airlines. (See Figure 3.4.)

By implementing hub-and-spoke systems, the airlines have been able to tie a greater number of communities into their networks, and the number of domestic city-pairs with direct (non-stop) or indirect (same-plane) service increased from 1,088 in 1983 to 1,729 in 1989, an increase of almost 60 per cent. (See Figure 3.5.)

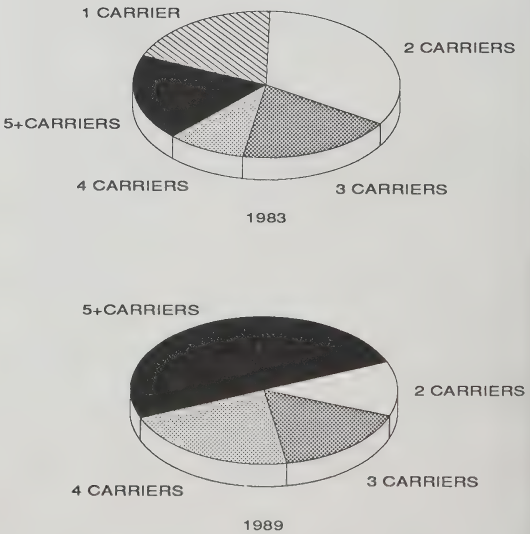
The organization of carriers into families with regional affiliates has greatly expanded the availability of coordinated service across the networks and has provided much wider access to discount fares. The use of discount fares is a key component of the airlines' competitive strategy and, in 1989, the average number of discount types available per route continued to rise. Virtually all scheduled carriers now offer discount fares, and the proportion of passengers

FIGURE 3.3: TOP 146 DOMESTIC CITY PAIRS



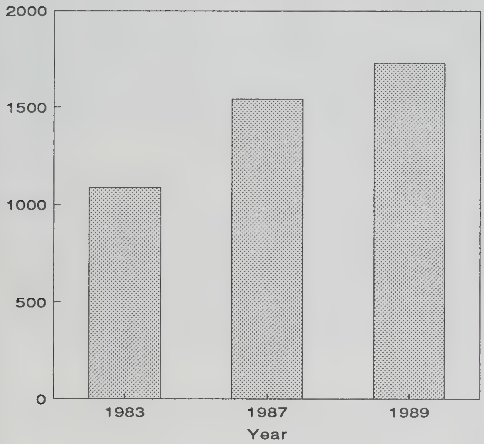
Sources: Official Airline Guides; Airline Tariff Publishing Company; and Aviation Statistics Centre

FIGURE 3.4: SERVICE AT TOP 42 DOMESTIC ORIGIN/DESTINATION POINTS



Sources: Official Airline Guides; Airline Tariff Publishing Company; and Aviation Statistics Centre

FIGURE 3.5: DOMESTIC CITY PAIRS WITH AIR SERVICE



Sources: Official Airline Guides; Airline Tariff Publishing Company

travelling on discounts, as indicated in the Tariffs section, remains over 60 per cent.

Another way in which carriers compete for traffic -- especially business traffic -- is with increased flight frequencies. On the top 25 domestic city-pairs, the number of direct and indirect flights doubled between 1983 and 1989; the trend of large increases was the same in all regions of the country.

The airlines have embarked on massive fleet re-equipment programs so that they can deploy modern, cost-efficient aircraft. A number of regional affiliates and independents have acquired or ordered jets to enhance operational capabilities and attract business; other regionals compete with state-of-the-art turboprop fleets. There are numerous other competitive options now offered to travellers, such as a variety of frequent flyer programs, different levels of in-flight service, less congested terminal facilities, or even service to alternative airports in major urban centres (Pearson International, Toronto Island, Buttonville, and Hamilton in the Toronto area; Edmonton International and Edmonton Municipal; Dorval and St. Hubert at Montreal; and Ottawa International and Gatineau in the national capital region).

Travellers are interested in competition because it provides them with choices -- not only in terms of prices, but also arrival/departure times, in-flight services, aircraft types, frequent flyer plans, etc. Agency surveys clearly demonstrate a wide range of consumer preferences, from the service-oriented business traveller to the price-sensitive vacationer. Airlines have responded to this multi-faceted demand by extending competitive air services to many more communities as well as offering wider choices in established markets.

The Air Canada and Canadian families were both present in 41 of the 42 top origin/destination points in 1989, and this widespread competition was supplemented in many areas by independent operators, such as Intair in eastern regions, First Air in the North, various jet charter carriers on popular mainline routes, and "niche" carriers across the system. This increased level of competition in the domestic airline industry has produced a much broader selection of services and prices for Canadian transportation users.

Barriers to Entry

With the continuing evolution of the airline industry, certain issues have emerged concerning obstacles confronting new competitors. Things such as high initial capital investment, large established networks, affiliate airline agreements, computer reservation systems, frequent flyer plans, and airport facilities agreements have all been characterized as potential barriers to entry into the industry.

A specific example of such barriers is the limited availability of runway capacity and terminal facilities at congested hub airports such as Pearson International and Vancouver International. These situations are only indirectly related to the relaxing of regulatory controls, and major programs are already under way to expand terminals, add runways, and improve air traffic control systems. Meanwhile, "landing-slots" and access to terminal facilities are allocated among carriers by committees of airport management, airline, and federal government representatives, who must take numerous factors into account, such as international flight commitments, gate assignments, customs and immigration requirements, and security arrangements.

With regard to computer reservation systems, the federal government recognizes the potential marketing impacts of these powerful tools and has taken action to prevent their anti-competitive use.

THE REGULATION OF COMPUTER/RESERVATION SYSTEMS

The Computer Reservation Systems (CRS) industry consists of business enterprises who, through computer terminals, distribute information on schedules, fares, rules and seat availability to subscribers (usually travel agents) for participating airlines. The growth of the CRS industry has led to concerns about competition, both in the CRS industry and in the air passenger industry.

In March of 1988, the Director of Investigation and Research at Consumer and Corporate Affairs applied to the Competition Tribunal for an order to prevent the merger of Air Canada's Reservac system with Canadian Airlines International's Pegasus system. In 1989, after extensive consultation, the Director amended his application allowing the merger in favour of a proposed set of rules providing a framework for the conduct of business in the provision of CRS services. On July 7, 1989, the Competition Tribunal issued its Consent Order approving these rules.

In November of 1989, the Minister of Transport directed Transport Canada and the Agency to develop policy and regulations governing the CRS industry as it relates to the provision of air carrier passenger services. The Agency will be responsible for developing the regulations required to implement the Government's policy objectives in this area. The Minister will delegate his authority to administer and enforce these regulations to the Agency.

INDUSTRY OPERATIONS

Traffic

While passenger traffic for the major Canadian carriers declined in 1989, regional carriers experienced strong traffic growth; cargo volumes handled at Canadian airports continued to register substantial increases.

Passenger

All three major carriers registered decreases in the number of passengers carried on scheduled flights in 1989. Contributing to this were reduced passenger volumes for all three majors in domestic markets and for Air Canada and Wardair in international markets. This decrease in air travel was clearly evident in the Commercial Travellers Association Survey.

PWA Corp.'s decision to rationalize Wardair's capacity and Canadian's efforts to increase its international traffic were major factors in Canadian's 40 per cent growth in international passenger traffic for 1989.

Despite carrying fewer passengers than in 1988, Air Canada and Wardair both registered increases in their passenger-kilometres. This reflects Air Canada's handing off of regional routes to its affiliates while it concentrates on long-haul domestic and international markets. Similarly, Wardair's increase in passenger-kilometres, despite reduced scheduled passenger volumes, also reflects a concentration of its capacity in longer-haul domestic and international markets. Canadian reported decreases in both its passenger-kilometres and passengers.

As was the case in 1988, the affiliates of Air Canada and Canadian continued their strong growth in 1989. In fact two affiliates, Air BC and Time Air, each carried in excess of one million passengers -- the threshold for being classified as a major, or Level 1 carrier, as defined by the Aviation Statistics Centre of Statistics Canada.

Using fourth-quarter weekly scheduled seat capacity as a gauge, Air Canada's affiliates achieved an increase of 22 per cent over 1988 while Canadian's affiliates increased their capacity by 27 per cent. Air Canada's affiliates increased capacity primarily in the Atlantic, Quebec, and Western regions while Canadian's affiliates registered strong increases in the Ontario, Western and Pacific regions.

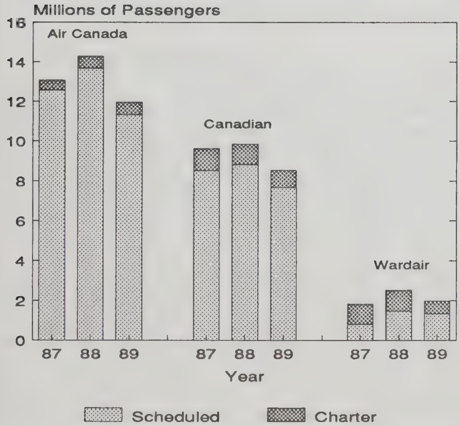
TABLE 3.3
Scheduled Passenger Traffic

	Passengers		Passenger-Kilometres	
	1989 (000's)	Per cent Change From 1988	1989 (000,000's)	Per cent Change From 1988
Air Canada	11,321	-17.2	23,917	4.8
Canadian	7,676	-12.9	17,512	-2.8
Wardair	1,355	-7.5	5,405	3.3

Source: Aviation Statistics Centre

Three factors have contributed to the growth of these regional carriers: the exit of the major carriers from regional markets; the increase in traffic created by the scheduling of additional frequencies at hubs as jet aircraft are replaced by smaller gauge aircraft; and the fact that these affiliates were established around 1986 when business was growing and the demand for air travel was beginning to improve.

FIGURE 3.6: NUMBER OF PASSENGERS CARRIED



Note: 1989 figures are preliminary

Source: Aviation Statistics Centre

Toronto continues to be the focal point for most of the scheduled traffic in Canada as it is included in 11 of the top 25 city-pairs. Data for the first half of 1989 shows that Montreal-Toronto corridor traffic increased by 2.3 per cent over the first half of 1988 and that it maintained its first place ranking. While 13 other top 25 routes reported increases in traffic ranging from 0.5 per cent on Toronto-Vancouver to 26.2 per cent on Calgary-Edmonton, the remaining 11 city-pairs registered decreases ranging from -0.2 per cent on Calgary-Winnipeg to -14.6 per cent on Halifax-Montreal. Total domestic passenger traffic for the first half of 1989 stood at 6.45 million passengers, down 2.5 per cent from 1988.

Declines in international scheduled passenger traffic carried by Air Canada and Wardair offset the gains realized by Canadian. As a result, transborder and other international traffic carried by major Canadian airlines remained unchanged from 1988 at 6.6 million passengers. Again, Toronto was included in 12 of the top 25 transborder city-pairs with Toronto-New York ranked first.

Charter traffic was up for Air Canada but down for both Canadian and Wardair. The net result was an overall decline in charter traffic of 22 per cent for these three carriers.

Cargo

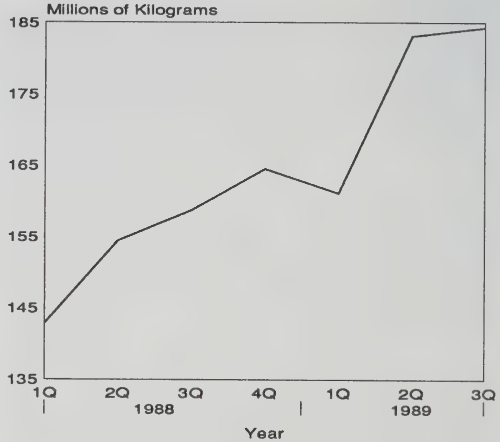
Air cargo registered steady growth in 1989. Preliminary figures for the first three quarters show that cargo tonnage handled on major scheduled services at Canadian airports totalled 528.5 million kilograms, up 16 per cent from the corresponding period for 1988. Eighty per cent of this growth was experienced in the

TABLE 3.4
Scheduled Domestic Origin and Destination Passengers - January to June 1988 and 1989

City-pair	1989 Passengers (000's)	Per cent increase (decrease) from 1988
Montreal-Toronto	703.8	2.3
Ottawa-Toronto	428.2	7.1
Toronto-Vancouver	382.3	0.5
Calgary-Toronto	237.9	(5.2)
Toronto-Winnipeg	201.1	9.0
Calgary-Vancouver	199.3	(3.9)
Calgary-Edmonton	179.8	26.2
Edmonton-Toronto	160.8	(0.9)
Edmonton-Vancouver	157.9	(5.5)
Halifax-Toronto	150.0	(2.5)
Montreal-Vancouver	96.5	9.9
Thunder Bay-Toronto	92.2	(10.5)
Vancouver-Victoria	88.0	(7.2)
Vancouver-Winnipeg	81.9	4.3
Kelowna-Vancouver	72.4	(3.3)
Ottawa-Vancouver	70.9	8.5
Prince George-Vancouver	65.8	7.0
Calgary-Winnipeg	63.1	(0.2)
Halifax-Montreal	61.9	(14.6)
St. John's-Toronto	59.7	7.0
Quebec-Toronto	58.4	6.1
Calgary-Montreal	53.6	3.7
Halifax-Ottawa	53.3	(5.6)
Sudbury-Toronto	51.4	3.2
Ottawa-Winnipeg	50.1	8.6
Total	3,820.2	1.8

Source: Aviation Statistics Centre

FIGURE 3.7: CARGO HANDLED ON SCHEDULED SERVICES AT CANADIAN AIRPORTS



Source: Aviation Statistics Centre

domestic sector which accounted for 61 per cent of all cargo handled in 1989. With one exception (9.4 per cent, third quarter 1988), the third quarter of 1989 marked the seventh consecutive quarter in which the growth in cargo handled at Canadian airports exceeded 12 per cent when compared to the corresponding quarter of the previous year.

Three airports (Pearson International, Vancouver International and Mirabel International) handled 58 per cent of the cargo handled on major scheduled services at all airports. Extraordinary growth in the volume of cargo handled during the first three quarters of 1989 at Moncton (262 per cent) and Winnipeg (103 per cent) reflects Air Canada's establishment of regional air cargo hubs at these airports.

Air Canada continued to dominate this important segment of the air transportation industry. After losing ground to Canadian in 1988, Air Canada's tonnage increased by 10.4 per cent while Canadian and Wardair's combined tonnage increased by only 2.3 per cent.

Air cargo services are crucial to most northern communities. In fact, 11 of the top 30 Canadian airports, ranked by volume of cargo handled, are in the North: Yellowknife, Iqaluit, Kuujjuaq, Goose Bay, Resolute Bay, Norman Wells, Inuvik, Whitehorse, Nanisivik, Cambridge Bay, and Kuujjuarapik.

TABLE 3.5
Scheduled Cargo Traffic

	1989 (000's of kilograms)	Per cent increase (decrease) from 1988
Air Canada	272,748	10.4
Canadian	141,978	5.9
Wardair	18,596	(17.7)
Total	**433,322**	**7.3**

Source: Aviation Statistics Centre

Service

Although some service indicators were down for 1989, reflecting the state of the economy and the rationalization of Wardair's capacity, service levels remained higher than in 1983 and 1987.

One hundred and twenty-five select city pairs[1] in both southern and northern Canada were analysed to determine changes in the level of service that was being provided by air carriers over the 1983-1989 period. Total weekly scheduled departing direct flights, indirect flights, jet flights, non-jet flights, and available seats scheduled during the third quarter of each year were used as service indicators.

Top Twenty-Five Markets

Service levels in Canada's top 25 city-pairs decreased slightly during the year as evidenced by a five per cent decline in direct flights and a six per cent decrease in seat capacity offered. (See Table 3.6.) However, when service levels are compared to 1987 and 1983 levels, total direct flights are 11 per cent higher than in 1987 and 94 per cent higher than in 1983 while total available seats are up by 16 per cent from 1987 and 46 per cent from 1983.

Large increases in both direct flights and available seats between 1988 and 1989 occurred in the Quebec-Toronto, Calgary-Edmonton, and Edmonton-Vancouver markets while large decreases occurred in markets such as Toronto-Winnipeg, Montreal-Toronto (ex Wardair routes), and in Calgary-Montreal, Calgary-Winnipeg, and Kelowna-Vancouver. However, total scheduled indirect and non-jet flights are up from 1988. The proportion of non-jet flights in the top 25 markets stood at 23 per cent, an increase of two per cent over 1988. Similarly, the proportion of indirect flights increased by one per cent to 17 per cent.

While there was an overall decrease in jet service for the top 25 city pairs, 10 markets had increases in jet service. For example, the number of weekly scheduled jet departures between Calgary and Edmonton increased by 65 per cent from the third quarter of 1988. This increase is due to the introduction of AirBC's Super Shuttle service on this route in competition with Canadian and Time Air.

Despite the overall decrease in the total number of scheduled seats, nine city-pairs experienced increases.

The Commercial Travellers' Association survey indicated a decrease in the quality of service offered by Canada's airlines in such areas as on-time performance and in-flight services and an increase in airport congestion. The Alliance of Canadian Travel Associations survey observed an increase in charter activity and an increase in congestion at Pearson International Airport.

Atlantic Provinces

The air transportation system to, from, and within the Atlantic Provinces continued to evolve throughout 1989. New air carriers entered the system and affiliates of the two major airlines expanded their respective route patterns and increased frequencies to several points.

A sample of 24 city-pairs in Atlantic Canada indicated that flights by both jet and non-jet aircraft were up over 30 per cent from 1988 while direct flights were up 25 per cent, indirect flights by 61 per cent, and total seats by 22 per cent. Examples of dramatic increases include Quebec-Halifax where available seats increased from 518 to 1,924 seats per week, an increase of 271 per cent. Total non-jet flights (direct and indirect) on this route also increased by 271 per cent when they went from 14 to 52 flights per week. For Fredericton-Montreal, total non-jet flights (direct and indirect) increased from 28 flights per week

[1] Service and tariff analysis was based on a comprehensive sample of 125 national, regional and local city-pairs. The sample includes the 25 highest-traffic pairs, all pairs formerly served by Wardair, 32 city-pairs turned over by Air Canada and Canadian to their regional affiliates, 32 pairs with one or both points in northern Canada, and various others. Traffic, schedule and tariff information associated with this sample were provided by the Airline Tariff Publishing Company, Official Airline Guides, and Statistics Canada's Aviation Statistics Centre.

TABLE 3.6
Changes in Weekly Air Services Offered: Third Quarter 1988 and 1989

	DIRECT FLIGHTS		SEAT CAPACITY	
	Number	Per cent increase (decrease) from 1988	Number	Per cent increase (decrease) from 1988
Montreal-Toronto*	775	(8)	86,581	(22)
Ottawa-Toronto*	541	4	57,295	(3)
Toronto-Vancouver*	335	14	75,819	3
Calgary-Toronto*	242	9	48,886	(7)
Toronto-Winnipeg*	185	(29)	24,516	(39)
Calgary-Vancouver	294	(8)	53,184	(10)
Calgary-Edmonton	480	24	44,936	50
Edmonton-Toronto*	203	6	39,115	11
Edmonton-Vancouver	210	11	27,220	15
Halifax-Toronto	188	4	27,484	(6)
Montreal-Vancouver	42	50	18,925	(1)
Thunder Bay-Toronto	100	11	10,885	(1)
Vancouver-Victoria	660	(2)	23,570	13
Vancouver-Winnipeg	40	(26)	18,760	(4)
Kelowna-Vancouver	143	(24)	12,002	(13)
Ottawa-Vancouver	42	5	11,371	(19)
Prince George-Vancouver	100	9	9,470	(1)
Calgary-Winnipeg	52	(37)	17,615	(12)
Halifax-Montreal	113	(8)	18,386	18
St. John's-Toronto	42	0	10,392	(16)
Quebec-Toronto	58	61	7,311	19
Calgary-Montreal	30	(29)	11,097	(41)
Halifax-Ottawa	49	(11)	11,972	48
Sudbury-Toronto	146	(15)	6,314	(11)
Ottawa-Winnipeg	59	4	12,520	3
Total	5,129	(5)	685,626	(6)

* Previously served by Wardair.

Source: Official Airline Guides

to 99 flights per week with the introduction of turboprop service by Air Atlantic and Air Nova. This represented an increase of 253 per cent, while available seats increased by 75 per cent. This increase in turboprop service was in addition to the 28 weekly jet flights provided by Air Canada and Air Nova, which remained unchanged from 1988.

During the year, both mainline carriers withdrew their services from a number of communities within Atlantic Canada. For example, Air Canada ceased operations at Gander, Stephenville and Sydney while Canadian pulled out of Sydney. These decisions generated reaction from the affected communities, especially from Stephenville. The Senate's Standing Committee on Transport and Communications conducted an inquiry into Air Canada's withdrawal from Stephenville. The withdrawal of service by the mainline carriers did not leave these communities without air service since the affiliated carriers countered the loss by introducing additional daily flights at attractive times. As a result, opposition to the loss of the major carrier's jet service diminished in these communities, with the exception of Stephenville. However, in February 1990, Air Atlantic announced its intention to commence jet service to Stephenville in April 1990.

Air Canada's affiliate, Air Nova, added Bathurst, New Brunswick to its network in 1989, thus linking that city to larger hubs such as Halifax and Montreal. Air Alliance, another Air Canada affiliate, commenced service to Wabush/Labrador City, Newfoundland.

Air Atlantic, Canadian's affiliate, added Charlo, New Brunswick, Bangor, Maine, and Portland, Maine. It also announced in November 1989 that it would take

over Canadian's jet services in Atlantic Canada while Canadian would continue to operate longer, interprovincial routes such as Toronto-Halifax. Air Atlantic will also supplement Canadian's interregional service on routes such as Montreal-Halifax and Ottawa-Halifax.

Ontario/Quebec

A sample of 16 city-pairs in Ontario and Quebec showed that direct and non-jet weekly flights increased by 16 and 24 per cent respectively over 1988 while indirect and jet flights and total seats decreased. This indicates a move by the regional affiliate carriers to provide more direct service in these markets with their non-jet aircraft. Also, the decrease in total available seats and the increase in non-stop flights illustrates the emphasis on frequency with smaller aircraft. Examples of this trend in central Canada are Dryden-Winnipeg, Sault Ste. Marie-Toronto, and Sept-Iles-Montreal.

Air Alliance added Gaspé, Iles-de-la-Madeleine, Val-d'Or, and Wabush to its network and started serving Quebec-Montreal through Mirabel as well as Dorval. Although Air Ontario dropped several of its northern Ontario routes to concentrate on higher traffic regional routes, they were quickly picked up by local, independent carriers. Air Toronto, which continues to specialize as Air Canada's transborder feeder, withdrew from Saginaw, but added Green Bay, Kalamazoo, Louisville and Madison. Ontario Express commenced serving Timmins and Moosonee from Toronto and, with the purchase of Frontier Air, added 20 points to its northern Ontario network. Air Atlantic increased service options in the Toronto market when it entered into a joint venture with Ontario Express to provide Dash 8 service between Ottawa and Montreal from Toronto's Buttonville airport.

Intair, which previously operated as Canadian's central Canada feeder, expanded its service from Montreal (Dorval) to Toronto and Quebec, and started providing service from Montreal (St. Hubert) to Toronto, Ottawa and Quebec City. It also started serving La Grande, Roberval, and Schefferville, Quebec and announced plans to serve Toronto Island airport.

Western Provinces

A sampling of 28 city-pairs in the west (prairie provinces and British Columbia) showed that while weekly indirect flights decreased by 22 per cent from 1988, direct flights increased by 20 per cent, non-jet flights increased by 13 per cent, and jet flights increased by two per cent. Overall, total weekly available seats were down nine per cent from 1988. The trend is to provide more direct flights with smaller capacity aircraft. Examples of the city-pairs in western Canada where this is occurring are Kamloops-Vancouver, Kamloops-Calgary, Port Hardy-Vancouver, and Brandon-Winnipeg.

The decreased level of jet service from 1987 (five per cent) and 1983 (18 per cent) reflects the transfer of services from the mainline carriers to their affiliated regional carriers.

AirBC continued to expand its service in 1989 including the introduction of its Super Shuttle service between Calgary and Edmonton and the improvement of its jet service to Kelowna and Cranbrook. The introduction of the Super Shuttle service gives Air Canada a presence in this market, which was previously dominated by Canadian. AirBC also introduced new Jetstream turboprop service between Edmonton (Municipal) and Peace River and started providing service from Calgary to Medicine Hat and Lethbridge. These are new competitive services on routes that were previously served by Time Air only. AirBC also operated charter programs to the United States. Time Air added Cranbrook and Seattle, Washington.

Northern Canada

An examination of 32 northern routes (to, from, or within the North) showed increased levels of air service in 1989. Northern travellers were offered more choice among carriers, more direct flights, more same-plane indirect flights, more jet flights, more turboprop/piston flights, and more seat capacity.

Among the sample routes, direct flights per week increased by 21 per cent from 1988. The 1989 level is more than 200 per cent higher than in 1983. The number of indirect flights per week observed in 1989 was 14 per cent higher than in 1988. The introduction of jet competition in northern markets has increased the number of jet flights per week by 20 per cent in each of the past two years. Turboprop and piston flights increased by 25 per cent over 1988 and have grown by over 500 per cent since 1983. Weekly seat capacity offered on the 32 sample routes rose by 10 per cent in 1989, reaching a level almost 75 per cent above that of 1983.

A large part of Air Canada's presence in the North is represented by its affiliate, NWT Air. NWT Air has developed its own connector system (see Industry Structure). These connectors operate smaller aircraft and add many small points to NWT Air's network which could not be served profitably by larger jets. The delivery of a second B-737 in 1989 allowed NWT Air to convert its Keewatin operations to all-jet services.

Connections with central and eastern Canada were improved with the restoration of Winnipeg-Yellowknife service. NWT Air also added Calgary to its network, while withdrawing from Pelly Bay, Spence Bay and Gjoa Haven. Northern clients are provided with discounted "add-on" fares between northern points and Winnipeg to connect with NWT Air sunspot charter flights to destinations in Florida, California and Mexico.

Another affiliate, AirBC, added Peace River to its northern network, but withdrew from the Whitehorse-Vancouver route in September after about 15 months of service due to lack of traffic.

Air Ontario cut back its northern operations by dropping service to 14 points in northern Ontario. However, virtually all of these points were quickly picked up by other carriers such as Air Creebec, Bearskin Lake Air Service, Frontier Air, and Sabourin Lake Airways.

Air Alliance commenced service to Wabush/Labrador City, Newfoundland, in competition with Air Atlantic. This provides much-improved links into both Atlantic and national air networks.

In 1989, Canadian Airlines International created Canadian North, a separate airline division devoted to northern services. Canadian also set up a consumer advisory council to provide continuing feedback on all aspects of the new division's performance. Canadian North operates an all-jet fleet of eight B-737's serving 24 points in the Northwest Territories, Alberta, Manitoba and Quebec. During the year, service was withdrawn from Churchill Falls, leaving this point to be served by Air Atlantic.

Air Atlantic also added new service to Wabush/ Labrador City. In Ontario, Ontario Express commenced service to Moosonee, providing another link with its own affiliate Frontier Air's northern Ontario network. Time Air dropped services to Dawson Creek, British Columbia and Wollaston Lake, Saskatchewan and added new flights to Buffalo Narrows and Points North Landing, Saskatchewan. Calm Air trimmed its northern network by discontinuing service to Island Lake and Kelsey, Manitoba, while maintaining services to 23 other points.

First Air remained the largest independent jet carrier in the North, and added Ottawa-Goose Bay service to an already extensive northern network. First Air continues to serve Pelly Bay, Spence Bay, and Gjoa Haven (which were dropped by NWT Air) with HS-748 turboprops.

Intair, previously affiliated with Canadian, also operated a large portion of its network in the North. It utilized its new fleet of Fokker 100 jets and ATR-42 turboprops to serve 15 points in northern Quebec and Newfoundland.

Other independents adding scheduled services in the North during 1989 include Aviair, Aklak Air, Northland Air Manitoba, Trans Côte, Central Mountain Air, Sabourin Lake Airways, Atlantic Airways, Bearskin Lake Air Service, and Air Creebec. A total of 25 northern communities benefitted from new or additional scheduled services operated by these independent carriers in 1989.

The response to the Agency's 1989 Northern Air Survey confirmed the general growth in air services across the North and raised a number of concerns -- especially among small, remote communities. Many respondents noted increases in both passenger fares and cargo rates in 1989, although these were sometimes tempered by improvements in the availability of discount fares. The large majority of comments, however, were related to service aspects. In particular, there were several references to the carriers' practice of "bumping" cargo and/or luggage due to limited capacity in smaller piston or turboprop aircraft. This resulted in inconvenience to both shippers and travellers. Another concern was an apparent increase in the number of cancelled or diverted flights.

Mainline Carrier Services Replaced by Affiliate Carriers

Air Canada and Canadian continue to withdraw from smaller domestic markets and concentrate their services on long-haul domestic, transborder and international routes.

Since 1984, Air Canada and Canadian (and its predecessor airlines) have withdrawn from 39 domestic and three U.S. points, turning over the services to their affiliated carriers[2]. (See Figure 3.8.) Generally, air service to these communities has improved as total weekly scheduled departures increased from 252 in 1983 to 464 in 1989, an increase of 84 per cent.

Table 3.7 shows that when the major airlines withdraw from a market, the community usually receives improved air service in the form of increased direct flights and available seats from the regional affiliates. In some cases, competing air service is provided by independent carriers. Also, while the replacement

[2] Six of these points (North Bay, Rouyn, Sudbury, Timmins, Val d'Or and Windsor) were transferred by Air Canada to either Air Ontario or Air Alliance on February 4, 1990.

FIGURE 3.8
MAINLINE CARRIER SERVICES REPLACED BY AFFILIATED REGIONALS SINCE 1984

● Former Air Canada Destinations
➤ Former Canadian Airlines (Predecessor airlines) Destinations

Source: Boeing Canada

December 1989

TABLE 3.7
Sample Services Taken Over by Affiliated Carriers

	Non-Stop Flights Per Week				Number of Seats per Week			
City-Pair	**3Q'83**	**3Q'87**	**3Q'88**	**3Q'89**	**3Q'83**	**3Q'87**	**3Q'88**	**3Q'89**
Penticton-Vancouver	32	44	87	141	4,218	4,984	3,773	4,921
Grand Prairie-Edmonton	34	82	80	112	1,700	3,476	3,519	4,364
Gander-St. John's	34	69	94	128	3,876	3,418	4,472	5,458
Yarmouth-Halifax	14	26	28	50	1,624	1,484	1,480	2,294
Halifax-Stephenville	6	14	25	32	1,482	1,036	1,480	1,961
Sudbury-Toronto	28	75	172	146	3,248	5,966	7,110	6,314
Sept-Iles-Quebec	50	82	89	57	5,229	6,792	5,842	3,447

Source: Official Airline Guides

services are usually provided with non-jet aircraft, some markets continue to receive jet service.

Not all markets have shown an improvement in service as evidenced by the figures for Sudbury-Toronto, Sept-Iles-Quebec, and Stephenville-Gander. However, these reductions in direct flights and available seats are largely a function of demand for air service in these markets. For the most part, the level of air service provided to these communities is better matched with demand than prior to the withdrawal of the major airline's jet service.

Observations

Frequent comments contained in the air transport survey returns referred to decreased service levels, especially in western Canada, and expressed dissatisfaction with conditions at Pearson International Airport.

The Atlantic Provinces Transportation Commission reported that excellent service, coupled with increased daily departures, between centres in the Atlantic Region, increased same plane destinations, additional carriers entering the system, and improved airport facilities and infrastructures, have engendered feelings of confidence and overall satisfaction. The high level of on-time performance, reliability of operations, widespread choice of departure times, good in-flight service and courtesy shown by the airlines have created a very acceptable image throughout the Atlantic Provinces and beyond.

Cargo

The role played by air cargo services has increased in recent years. The Agency's Shipper Survey results indicated that close to one-half of the shippers reported using air freight services for an average of slightly more than 10 per cent of their traffic. This reported utilization is up from 1988. More shippers reported using scheduled all-cargo air service than additional belly capabilities. Even fewer reported using charter cargo services. While most shippers indicated that they had directly contacted air carriers to make their air cargo arrangements, freight forwarders emerged as important intermediaries between carriers and shippers.

Levels of service in the air cargo industry are linked to developments on the passenger side since most freight is carried in the belly holds of passenger aircraft or in aircraft configured for combination passenger/cargo use. Even though Wardair's fleet was merged with Canadian's fleet and rationalized, cargo capacity of the two main carriers increased in 1989 with the additional belly space of the B-767's delivered to them during the year. In addition, the regional carriers added large quantities of belly cargo capacity with the delivery of their new jets and turboprop aircraft. Air Canada continued to be the only passenger carrier to operate a fleet of dedicated cargo aircraft.

Air Canada took steps to improve and enhance its cargo service by selling the Gelco Express overnight divisions to Purolator Courier for $31 million. In exchange, Air Canada obtained a 22 per cent share holding in Purolator and obtained the right to transport Purolator's packages across Canada. The overnight market is the largest growth segment of the air cargo market. Air Canada also established new regional cargo hubs at Winnipeg and Moncton in addition to existing mainline all-cargo operations. The creation of all-cargo centres across the country has permitted the airline to operate the cargo system on a hub-and-spoke basis similar to that offered on the passenger side.

Canadian also actively marketed its cargo service. It promoted the transfer of air cargo between itself and its regional affiliates, thereby allowing competitive air cargo services to be maintained over major networks throughout the country. It signed an agreement with Greyhound Canada where the bus line agreed to provide delivery support throughout Western Canada for sensitive overnight cargo product. Canadian also enhanced its cargo delivery capability in the North by deploying eight B-737 Combi aircraft through its Canadian North division.

First Air continued to operate Combi and all-cargo services throughout its network using HS 748 and B-727 aircraft. With Intair operating as an independent, belly cargo capacity in eastern Canada will increase as the airline takes delivery of new aircraft.

United Parcel Service (UPS) and Federal Express extended their air cargo services throughout Canada. By chartering aircraft from smaller Canadian operators they now provide a comprehensive coast-to-coast service, in competition with other air cargo operators.

The operations of Canadian North, First Air, and NWT Air represent considerable freight capacity to meet the growing demands of northern shippers, as well as offering improved links to the southern domestic and international air networks. On the other hand, residents in Keewatin, Kitikmeot, and northern Manitoba have expressed the view that the increasing use of smaller aircraft may be improving service levels for passengers, but it is having a negative impact on northern shippers.

The Shippers' Survey indicated that air cargo service remained stable from 1988 to 1989. Most shippers (69 per cent) felt service had not changed, and some (21 per cent) reported improved service. Slight improvements were noted in the number of carriers serving their markets and in transit time. With regard to air cargo rates, respondents indicated an average increase of 2.7 per cent in unit freight costs.

The withdrawal of jet service from points in Atlantic Canada by the major carriers in 1989 initially had an adverse impact on air freight capacity. While the substitution of connector carrier turboprop aircraft adequately compensated for lost seating capacity, the smaller aircraft were not always able to accommodate the quantity and size of air freight. However, modifications to air freight operations appear to have satisfied most air freight needs.

Tariffs

Business and economy fares increased at a faster rate than the Consumer Price Index, but almost two out of every three passengers still travelled on discount fares.

Most air fares increased in 1989 as the airlines moved to recover from the costly price competition of the previous year. Some of the pressures that produced the "fare wars" of 1988 were removed when Air Canada regained the market share it lost during the December 1987 strike and PWA Corp. took over the failing Wardair. More importantly, the carriers faced mounting new pressures to improve their profitability in view of the approaching deliveries of billions of dollars worth of new aircraft. Air Canada and Canadian took action on both sides of the ledger, cutting back on costs while raising fares to increase revenues.

Fare increases do not have the same impact on all travellers. As illustrated in the Commercial Travellers Association survey, most business-class passengers want a higher level of service and are less concerned about prices.

Other "must-go" travellers have little choice but to pay standard economy fares. However, almost two-thirds of all passengers in Canada fly on discount fares and enjoy a wide range of price options.

An examination of 125 sample airline routes showed that the average number of different discount fares[3] available on each route grew from less than six in 1987

FARE STRUCTURES

Today's complex airline fare structures can be simplified into three major fare types:

Business fares, the highest of the three, have largely replaced the first-class fare in domestic markets, offering passengers additional convenience and on-board amenities. Business fares are generally available on inter-city and commuter routes, and are priced about 12-15 per cent above the regular economy fare.

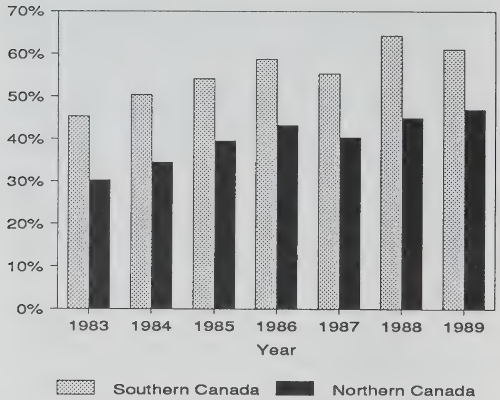
The economy or basic fare is the standard unrestricted fare offered on each route. This fare is commonly used by the "must-go" traveller who is unable or unwilling to meet the requirements attached to various discount fares.

Discount fares are priced at various levels below the economy fare (reductions range up to 70 per cent) and are available on almost all routes; however, these fares are restricted both in number and by other "fences" such as requirements for advance purchase, minimum or maximum stay, non-refundability, or off-peak travel. The extent of restriction generally varies directly with the size of the discount. In 1989, almost two out of every three passengers continued to fly on discount fares.

The supply of discount fares is increasingly controlled by sophisticated yield management systems which are linked to carriers' computer reservation systems and designed to improve airline revenues. Ticket sales are continuously monitored and adjustments made to the availability and size of discounts in order to fill each flight with the optimum number of passengers. Yield management systems operate year-round whereas other sources of discounts such as seat sales tend to be seasonal in nature.

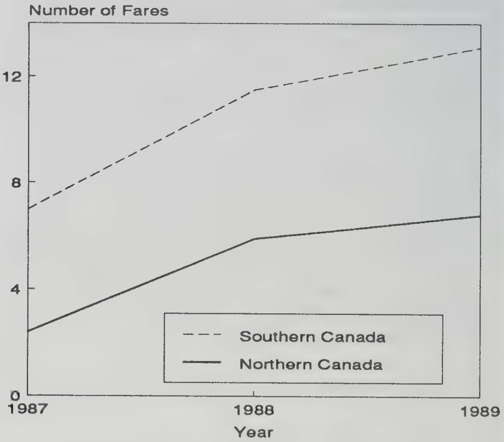
[3] For purposes of this analysis, **discount fares** are those available to an individual adult traveller during the sample period, and generally involve requirements for advance purchase, minimum/maximum stay, or off-peak travel. All other discounts designated for inclusive tours, tour conductors, travel agents, groups, children, senior citizens, students and standby etc., have been excluded.

FIGURE 3.9: PERCENTAGE OF PASSSENGERS ON SCHEDULED SERVICES TRAVELLING ON DISCOUNTED FARES



Source: Statistics Canada Fare Basis Survey (1989 Estimated)

FIGURE 3.10: SCHEDULED SERVICES AVERAGE NUMBER OF DISCOUNT FARE TYPES PER ROUTE



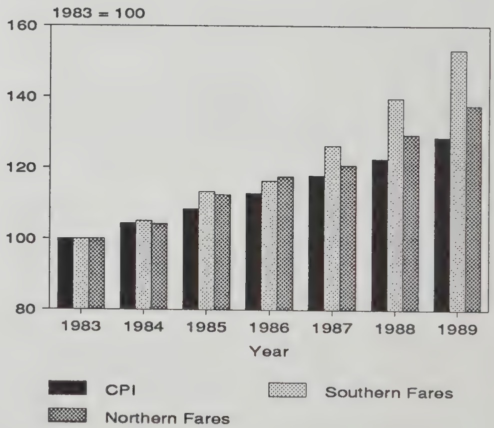
Sources: Official Airline Guides; Airline Tariff Publishing Company

to 10 in 1988 and topped 11 in 1989. On routes in southern Canada, this same average almost doubled over the three-year period, rising from seven to more than 13. In the latter half of 1989, these discounts were supplemented by a substantial new supply of low-priced charter fares on popular domestic long-haul routes between Toronto and points such as Calgary, Edmonton, Vancouver, Halifax, Charlottetown and St. John's.

Discount fares were available in greater variety than ever in 1989, and the proportion of passengers flying on discounts ranged over 70 per cent on several long-haul routes such as Toronto-Vancouver, Ottawa-Edmonton, Toronto-St. John's, Toronto-Calgary, and Toronto-Edmonton. The new price leaders on domestic routes in 1989 were the charter carriers, and the availability of new charter fare options meant that the discretionary traveller could still fly from Toronto to Vancouver and back for $299.

Business and economy fares rose in several stages. In addition to the realignment of Wardair's lower price structure with Canadian's, there were two general fare hikes of about four per cent each. A third general increase was withdrawn when Air Canada chose not to match its competitor's initiative. The net result for routes in southern Canada was an 8.2 per cent average increase in standard economy fares. Business fares increased by a larger margin, averaging about 12.7 per cent. Since 1983, business and economy air fares have increased at a higher rate than the Consumer Price Index in all but one year, and this trend continued in 1989.

FIGURE 3.11: SCHEDULED SERVICES AVERAGE BUSINESS/ECONOMY FARES



Sources: Official Airline Guides; Airline Tariff Publishing Company

On the eight Wardair routes the realignment of Wardair's lower price structure showed up in much higher than average increases to its business and economy fares; however, the much larger proportion of these fares offered by Air Canada and Canadian rose at lower than average rates of 10 per cent for business and eight per cent for economy fares. The numbers of discount fares ballooned from an average of 14 per route in 1987 to almost 25 per route in 1988, and settled back to about 16 in 1989. The proportion of passengers travelling on discounts on these routes also declined in 1989, but a closer examination reveals that the figures for the longer routes such as Toronto-Winnipeg, Toronto-Calgary, Toronto-Edmonton, Toronto-Vancouver, Winnipeg-Edmonton, and Ottawa-Edmonton, remained stable at an average of 68 per cent. The real drop occurred in the Toronto-Ottawa-Montreal corridor. Traffic mix on these corridor routes has always shown large components of business-oriented travel, with lower proportions of discount passengers; but in the intense competition of 1988, even business travellers were using discounts, and the proportions of discount passengers reached 60 per cent. The reductions to about 46 per cent discount traffic in 1989 reflects a return to the previous situation where the "must-go" or business travellers were "fenced out" from using discount fares.

On the 25 most heavily-travelled routes (which include several routes formerly served by Wardair), prices followed the same general pattern -- higher than average increases to all Wardair fares while the larger majority of non-Wardair business and economy fares rose at less than overall average rates. Again, the number of discounts offered was reduced from record 1988 levels, but at about 13 per route, remained substantially higher than in 1987. The proportions of passengers travelling on discount fares remained about the same as the year before.

The price-cutting which characterized 1988 was not confined to former Wardair routes, or even to the high-density inter-city routes. Fare competition, especially in the form of proliferating numbers and sizes of discount fares, was far more widespread across the national and regional networks, and in many areas, continued to flourish in 1989.

On 32 routes which Air Canada and Canadian turned over to their regional affiliate airlines, the number of discount fares more than doubled in 1988 and remained at this level in 1989, averaging over eight per route. On some routes, such as Dryden-Thunder Bay, Cranbrook-Calgary, and Quebec-Sept-Iles, travellers were now offered 10 to 12 different discounts per route. Business fares were not available on most of these routes, and standard economy fares increased on average by 9.1 per cent -- slightly higher than the overall rate.

The other 36 southern Canada routes in the sample represented a variety of mainline, regional, and local services, and showed a similar stability in the number of discount fares offered in 1989, averaging almost 10 per route. It was noted that the larger selections of discounts were not restricted to the higher-density markets; for example, travellers between Campbell River-Vancouver, Iles-de-la-Madeleine-Quebec, and Sudbury-Montreal were offered just as many choices as passengers on the Toronto-Vancouver route. The average increases in business and economy fares on these 36 routes were slightly lower than the overall average.

Passenger tariffs were examined for 32 routes in northern Canada or those routes connecting with points in the designated northern area. In general, availability of discounts and proportions of discount traffic are lower on northern routes than in the south, but are growing steadily. The average number of different discount fares offered per route more than doubled in 1988 and increased another 15 per cent in 1989, reaching an average of seven. Passengers between Iqaluit, Yellowknife and Cambridge Bay benefitted from an exceptionally wide range of discount fare choices, reflecting an increased level of competition among three carriers operating on those routes. The proportion of passengers travelling on discount fares reached a new high of almost 47 per cent.

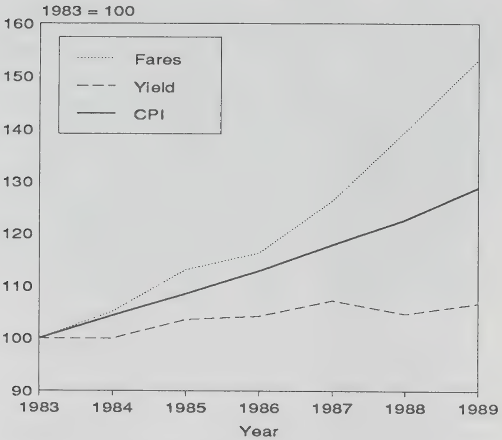
Standard economy fares increased by an average 6.3 per cent -- less than the comparable rate on southern routes, but still greater than the five per cent rise in the Consumer Price Index. Business fares were virtually non-existent on the routes surveyed.

Passenger Yields

The real impact of the business and economy fare increases combined with the continuously shifting discount structure is most effectively measured by the average revenue derived by carriers per passenger-kilometre flown (commonly referred to as the "yield"). This measure reflects the system-wide fare mix for all passengers carried.

As of the third quarter of 1989, the average yield for Air Canada, Canadian, and Wardair had increased less than two per cent over 1988, after losing ground the year before. Yields achieved by regional affiliate airlines were uneven in 1989, reflecting greater proportionate impacts of changes in their operations,

FIGURE 3.12: COMPARISON OF BUSINESS/ ECONOMY FARES, REVENUE PER PASSENGER-KILOMETRE AND CONSUMER PRICE INDEX



Sources: Official Airline Guides; Airline Tariff Publishing Company

such as new routes, larger fleets and increased frequencies.

Since 1983, average revenue per passenger-kilometre for major Canadian airlines has increased at a rate less than the Consumer Price Index and substantially less than business and economy fares. In other words, the nominal fare increases have not materialized in corresponding yield increases for the carriers. This is partially attributable to the major airlines' shift toward lower yield long-haul routes; it also indicates that consumers are arranging their air travel to take more advantage of discounts available.

Fleet

Fleet modernization programs in 1989 represent a corporate strategy based on aircraft deployment flexibility and minimized operating costs.

Air Canada

In 1989, Air Canada took delivery of two new B-767-200 aircraft, and removed one DC-9 from service. At year end, its fleet comprised 115 aircraft. The 33 B-727's and 33 DC-9's were used primarily on short and medium-haul North American routes. The 14 Lockheed L1011's and six Boeing 747 aircraft were used on heavily-travelled international routes while the 21 B-767's were used to provide service in less dense North Atlantic, transcontinental and long-haul transborder markets. The six DC-8 aircraft were used exclusively for cargo operations. The first of the A320's ordered by Air Canada in July 1988 to replace its B-727's were scheduled to arrive in 1990.

To help prepare for its announced service plans on several trans-Pacific routes such as Toronto/Vancouver-Seoul/Singapore, Air Canada ordered three B-747-400's with options for another four. Value of the first three B-747-400's, including spares, is approximately $600 million. Delivery dates were slated for late 1990 and early 1991. Air Canada also placed orders for six B-767-300ER's to replace six of the 14 L1011-500's in its fleet. Operating economics and efficiencies gained are the major reason for the selection of the B-767-300ER which will be 25 per cent less expensive to operate and will have 15 per cent greater range than the L1011's. The six B-767-300ER's, which will be deployed on routes such as Toronto-London and Toronto-Frankfurt, are worth $700 million. In total, the three Boeing 747-400's and the six Boeing 767-300ER's that Air Canada ordered in 1989 are worth $1.3 billion.

Canadian Airlines

The rationalization of the Wardair and Canadian fleets following PWA Corp.'s acquisition of Wardair represents a major fleet development in 1989. PWA Corp. announced the sale of the Wardair fleet (two B-747's and 12 A310's) to three U.S. leasing companies for $900 million to reduce the long-term debt it incurred when it purchased Wardair. Under the delivery schedule, four A310's and two B-747's will leave the fleet in 1990, five A310's in 1991, and three more A310's in 1992. One other Wardair B-747 was sold in the fall of 1989. Earlier in 1989, Wardair announced that it had sold its 16 MD-88 delivery positions to Polaris Leasing and two A310-300 delivery positions to Air France for $28.2 million. Wardair also cancelled orders for 16 Fokker 100 aircraft.

During 1989, Canadian further reduced its fleet by taking two DC-10-30's and six B-737's out of service. The DC-10's were replaced by B-767's which went into service in 1989.

Like Air Canada, Canadian Airlines is also awaiting the delivery of three B-747-400's. Canadian intends to deploy its B-747-400's on Vancouver-Hong Kong, Toronto-Tokyo, and Toronto-Hong Kong routes. It also took delivery of four B-767-300ER's during 1989 and converted options into orders for another four B-767-300ER's. The B-747-400's and B-767-300's will eventually replace the DC-10-30's.

TABLE 3.8
Major Airlines Fleet Composition

	1988	1989	On Order
Air Canada	6 DC-8's (all cargo) 14 L1011's 33 B-727's 6 B-747's 19 B-767's 36 DC-9's 114	6 DC-8's (all cargo) 14 L1011's 33 B-727's 6 B-747's 21 B-767's 35 DC-9's 115	38 A320's 3 B-747-400's 6 B-767-300ER's 47
Canadian Airlines International	66 B-737's 13 DC-10's 1 F27 2 Electra's 4 B-767ER's 87	52 B-737's** 11 DC-10's 12 A310's 2 B-747's 8 B-767-300's 85	3 B-747-400's 17 A-320's 4 B-767-300ER's 24
Wardair*	3 B-747's 1 DC-10 12 A310's 2 A300's 18	- - - -	

* Wardair and Canadian fleets were integrated in 1989.

** An additional eight B-737's are with Canadian North, a Division of Canadian Airlines International, which is treated as a regional affiliate.

Source: Aviation Statistics Centre; Airlines' Reports

Table 3.8 illustrates the major airlines' fleet composition, comparing 1989 with 1988.

Affiliates' Fleets

All of the regional affiliate carriers expanded their fleets in 1989 by acquiring both jets and turboprops. In the Air Canada family, NWT Air added B-737's; Air Ontario went to an all-Dash 8 fleet; Air Nova took delivery of both the Bae 146 jet and additional Dash 8's; Air Alliance tripled its fleet size to nine Dash 8's. AirBC took delivery of additional Dash 8's and Bae 146 jets; and Air Toronto added new Jetstream 31 turboprops. The Canadian Airlines' affiliates also expanded their fleets in a similar fashion. For example, Air Atlantic increased its Dash 8 fleet, and ordered jets (Bae 146's), while Ontario Express took delivery of ATR-42's and ordered additional ATR-42's, ATR-72's, and Brazilia 120's. Frontier Air ordered Beech 1900C's, allowing it to serve smaller northern Ontario markets with modern turboprop equipment. In the West, Time Air added Dash 8's and Dash 8-300's. Calm Air's fleet remained unchanged.

The value of new aircraft delivered to, or ordered by the feeder carriers, plus the options they placed for future aircraft deliveries, approached $2 billion in 1989.

Independents' Fleets

During 1989, several of the independent carriers also made considerable changes to their fleets. Intair, the former Canadian partner which previously operated as Inter-Canadien, increased its fleet from 23 to 31 aircraft after taking delivery of ATR-42, Fokker 100, and Metro III aircraft. Both Air Creebec and Air Manitoba expanded their turboprop operations by adding Dash 8's to complement their HS 748's. City Express continued to operate a standardized fleet of four Dash 7's and four Dash 8's, and First Air did not change its fleet of B-727's, HS 748's, Beavers, Twin and Single Otters and Dash 7 aircraft. The significance of the independents' fleet strategies is in their similarity to those of the regional affiliate carriers.

Despite the demise of some jet charter operators, the independent jet charter sector was still strong at the end of 1989 with the remaining independent carriers adding large jet aircraft to their fleets. As of December 1989, the number of large jets operated by

TABLE 3.9
Consolidated Financial Results

	AIR CANADA*		PWA CORP. **	
	1988	1989	1988	1989
Operating Revenue	3,426	3,676	2,301	2,668
Operating Expense	3,312	3,553	2,223	2,678
Operating Income (Loss)	114	123	78	(10)
Net Income (Loss)	89	149	30	(56)

PWA Corp. declared a net loss of $56 million in 1989 -- primarily a reflection of its decision to write off some $74 million non-recurring integration costs related to the amalgamation of Canadian and Wardair.

* Air Canada's 1988 results were restated to reflect the expense of travel awards provided through its Aeroplan frequent flyer program.

** PWA Corp. results incorporate Canadian Airlines International and Wardair Inc.

Note: ( ) indicates negative figures.

Source: 1989 Annual Reports for Air Canada and PWA Corp.

TABLE 3.10
Yearly Unit Toll Operating Statistics

	AIR CANADA		CANADIAN*	
	1989	% Change	1989	% Change
Passengers Carried (000's)	11,321	(17.2)	9,031	(12.1)
Revenue Passenger-Kilometres (000's)	23,917,389	4.8	22,917,442	(1.4)
Available Seat-Kilometres (000's)	34,763,309	7.6	33,820,790	(0.2)
Goods Tonne-Kilometres (000's)	864,957	9.3	536,387	15.7
Passenger Load Factors	68.8%	(2.6)	67.8%	N.A.

* includes Wardair

Note: ( ) indicates negative figures.

Source: Aviation Statistics Centre

independent carriers had increased to 50 aircraft, compared to 33 aircraft in 1988. However, the cessation of operations by Vacationair, Points of Call, and Crownair in early 1990, reduced the total to 46 as four jet aircraft were withdrawn from service.

CARRIER PERFORMANCE

Air Canada earned record net income in 1989 while the amalgamation of Wardair and Canadian produced an operating loss for PWA Corp.

Air Canada announced a net income of $149 million for 1989. This record income level was due, in part, to growth in both international and domestic passenger revenues, combined with improved results among its regional affiliates. It also includes $86 million from the sale of a portion of its interest in Guiness Peat Aviation. Operating expenses rose about eight per cent, reflecting increases in costs of fuel, aircraft leases, salaries, and sales commissions.

Both Air Canada's and Canadian's regional affiliates experienced large increases in operating revenues and expenses as they continued to expand all aspects of their operations. As a group, the affiliate airlines achieved exceptional growth in 1989, increasing capacity by over 70 per cent and carrying almost 45 per cent more passengers than in 1988.

Preliminary operational statistics posted by Air Canada and Canadian (including Wardair) reflect the major airlines' continued efforts to concentrate on long-haul domestic and international routes, to turn over lower density markets to affiliate carriers, and to tailor fleet capacity to projected demand.

RAIL SERVICES

HIGHLIGHTS OF 1989

Operations

Traffic was down significantly for CN and CP Rail in 1989 resulting in large reductions in net income for both railways.

Effects of New Legislation

The success of confidential contracts continued to grow in 1989 with more than twice as many contracts filed as in 1988 and over two-thirds of the railways' non-grain traffic under contract.

Shippers reported that competitive access provisions were important as bargaining tools in their negotiations with the railways.

Railway Developments

Initiatives begun in earlier years, such as the operation of cabooseless trains and the Rogers Pass Bypass, were realized and a number of new ones undertaken.

Rationalization

The Agency authorized the abandonment of almost 1,300 miles of track in 1989. The restrictive interpretation of section 175 of the *NTA, 1987* continues to be of great concern to provinces, shippers and railways.

REGULATORY REFORMS

NTA, 1987 permits confidential contracts, provides shippers with improved competitive access and streamlines the rail line abandonment process.

The rail provisions contained in the *NTA, 1987* are designed to benefit Canadian shippers by fostering a more competitive transportation environment and to reduce regulatory burdens on railways.

Shippers and railways are now able to enter into confidential contracts, negotiating rates and conditions appropriate to individual circumstances. Further, railways may no longer set rates collectively.

Other provisions of benefit to shippers include access to more than one railway through competitive line rates and increased interswitching limits, formal and informal Agency assistance in resolving disputes with railways, and a more responsive public interest appeal mechanism.

The new Act establishes more efficient line abandonment procedures as well as new options, such as transferring lines to independent operators or funding alternative transportation facilities.

INDUSTRY STRUCTURE

CN and CP Rail dominate the Canadian rail freight industry.

Railways in Canada are classified as either Class I or Class II depending on their size. In recent years the two largest railways, CN and CP Rail, have accounted for about 90 per cent of freight revenues with CN earning about one-third more than CP. CN is even larger than CP in terms of assets and employees.

Generally, Class II railways fall into one of three categories:

- regional railways, such as the Quebec North Shore and Labrador, the Ontario Northland, the Algoma Central and BC Rail, which originate traffic almost entirely from mines and forests;
- lines which belong to subsidiaries of United States railways, such as Burlington Northern, Conrail and CSX Transportation;
- terminal or switching railways which carry traffic to or from industries located on their lines to the main lines of CN and CP Rail, such as Essex Terminal Railway and Southern Railway of British Columbia.

While some of the Class II railway companies, such as BC Rail, come under provincial jurisdiction, most of them, as well as CN and CP Rail, come under the provisions of the *NTA, 1987*. This review concentrates on the activities of the two Class I freight carriers, CN and CP Rail.

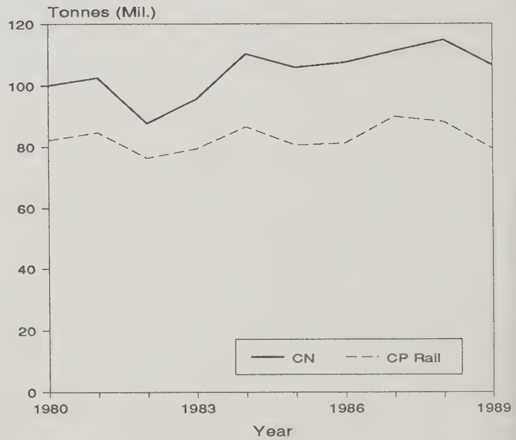
TRAFFIC

Traffic was down significantly for both railways in 1989.

Over the past decade, the pattern of growth for CN and CP Rail traffic, as Figure 4.1 illustrates, has been uneven from year to year because of such events as economic downturns and major droughts, which have had significant impacts on railway traffic. Because railways cannot easily reduce costs when traffic goes down, swings in traffic have a noticeable effect on their net incomes.

The composition of rail traffic has changed considerably over the last 20 years. Bulk commodities such as coal, potash, lumber, sulphur, pulpwood chips, gypsum, woodpulp and newsprint have grown to the point where they now comprise 50 per cent of total traffic excluding statutory grain shipments.

FIGURE 4.1: TOTAL FREIGHT TONNAGE CARRIED

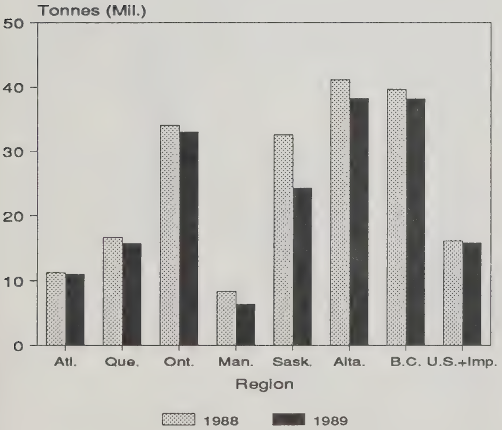


Source: Based on traffic tapes provided by the railways

Most of this bulk traffic is destined to offshore markets or to the United States (see Table 4.1 for more information on regional traffic).

Railway traffic declined substantially in 1989 after the record-breaking volumes registered in 1988 and 1987 and returned to the levels of the mid-1980's. CN's traffic decreased by over 8.2 million tonnes or 7.2 per cent and CP Rail's by 8.7 million tonnes or 9.9 per cent, due mainly to significant reductions in some major bulk commodities. While this reduction in traffic of almost 17 million tonnes was caused by a reduced demand for railway service in all regions of the country, Saskatchewan alone, due to a drop in grain traffic, accounted for almost one-half. Traffic originating in Alberta went down over 3 million tonnes while British Columbia and Manitoba each accounted for about one-tenth of the total reduction.

FIGURE 4.2: CN AND CP RAIL TRAFFIC BY REGION OF ORIGIN



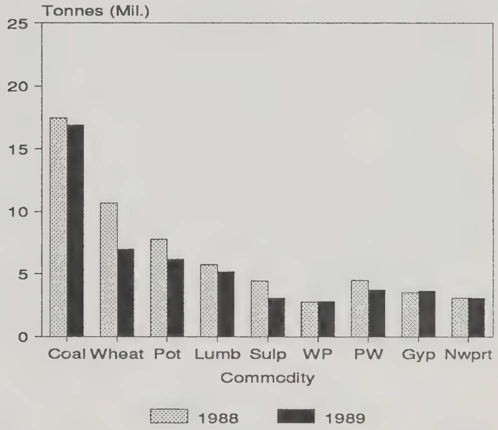
Source: Based on traffic tapes provided by the railways

A comparison of the changes in traffic originated by each railway in each region shows that CN had a much larger absolute decline in traffic in British Columbia than CP Rail and that CP Rail had a large decrease in traffic in Ontario while CN's traffic remained about the same. Also, CN had a significant decrease in traffic in the Atlantic region while CP Rail's traffic increased.

A look at selected commodity movements involved in the 1989 traffic decrease indicates the following:

- Wheat traffic declined drastically (some 40 per cent) as a result of the severe drought on the Prairies in the summer of 1988. Since there was a substantial amount of wheat in storage at the time of the drought, its full impact was not felt until 1989. Since the drought had a greater impact on the southern Prairies, a region served more extensively by CP Rail than CN, CP Rail was more affected than CN. In fact, wheat alone accounted for over three-fifths of CP Rail's net traffic decline in 1989.

FIGURE 4.3: CN TONNAGE FOR SELECTED COMMODITIES



Legend: Pot = Potash; Lumb = Lumber; Sulp = Sulphur; WP = Woodpulp; PW = Pulpwood Chips; Gyp = Gypsum; Nwprt = Newsprint

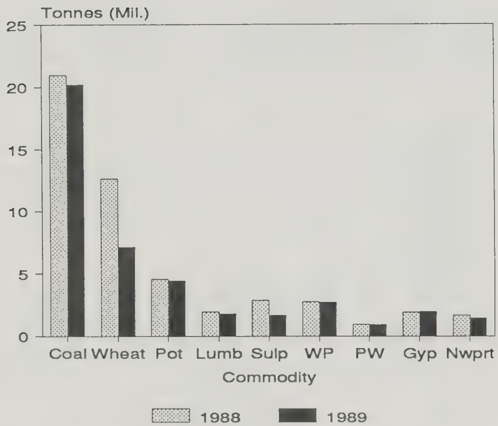
Source: Based on traffic tapes provided by CN

- Sulphur traffic also declined substantially for both CN and CP Rail in 1989, particularly during the first half of the year. The decline was almost entirely due to a reduction in offshore exports, primarily to Morocco, whose demand for sulphur used in fertilizer production dried up as a result of a lengthy contract dispute with India on fertilizer trade.
- Potash traffic declined by 14 per cent, with CN more affected than CP Rail. It appears that poor spring planting conditions in North America as well

as expanded production overseas affected the markets for fertilizer.

- Coal was by far the largest volume movement on CN and CP Rail, accounting for some 20 per cent of total traffic in 1989. Even a modest reduction in demand for rail service from the coal industry, as happened in 1989, has a substantial impact on railway traffic volume. CN and CP Rail each experienced a decline of about four per cent in coal traffic in 1989. Most of the decline was in domestic demand and was caused by major customers stockpiling coal in 1988.

FIGURE 4.4: CP RAIL TONNAGE FOR SELECTED COMMODITIES



Legend: Pot = Potash; Lumb = Lumber; Sulp = Sulphur; WP = Woodpulp; PW = Pulpwood Chips; Gyp = Gypsum; Nwprt = Newsprint

Source: Based on traffic tapes provided by CP Rail

- Lumber traffic declined, primarily due to softness in the housing market. CN's traffic went down about three times as much as CP Rail's and, furthermore, CN experienced declines in the domestic, United States and offshore markets while CP Rail's traffic reductions were only in the domestic market.

- Movements of newsprint and other papers remained about the same for CN but declined 17 per cent for CP Rail. This decline occurred mainly on traffic to the United States, where demand for the products had weakened.

Some of the other major commodity movements are described below.

- Barley, oats and rapeseed accounted for almost five per cent of CN and CP traffic in 1989. Volume was up one and a half million tonnes over 1988, which had been a rather poor year for these commodities.

- CN and CP Rail shipments of woodpulp, at 5.5 million tonnes, showed no marked change in 1989 from the levels achieved in 1988.

- Gypsum traffic, which is also a major commodity movement for both railways, showed only a minimal increase over 1988.

- The group of commodities under the collective titles refined and manufactured gases, inorganic bases (anhydrous ammonia and caustic soda) and alcohols and derivatives made up about three per cent of CN and CP Rail combined tonnage in 1989. Their traffic volume was down four per cent from 1988, due in part to reduced demand for some of the commodities in this group by the pulp and paper industry and the fertilizer industry.

- Automotive industry products comprised about two per cent of total CN and CP Rail traffic in 1989. Volume remained at the 1988 level in 1989, although some of the categories of traffic within this group had offsetting increases and decreases.

Many commodities move on an intermodal basis with the result that this type of business accounts for a significant proportion of CN's and CP Rail's revenues and tonnage. In volume terms, it is the second most important non-grain traffic after coal. Intermodal traffic has attained this importance from the continuing increase in the use of containers in international commerce and the introduction of containers in domestic trade.

In 1989, CN's intermodal shipments remained at the 1988 level while CP Rail's intermodal volume experienced a five per cent decline in tonnage. This reduction was evenly split between domestic and export movements.

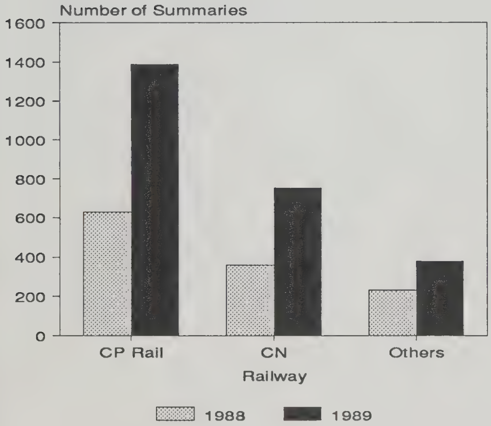
COMPETITION

Confidential Contracts

The success of confidential contracts continued to grow in 1989.

The use of confidential contracts increased as they continued to be popular with both shippers and carriers. More than twice as many contracts were signed in 1989 as in 1988, with 2,525 contracts entered into by year's end. CP Rail accounted for some 55 per cent of the contracts filed, CN's share remained at 30 per cent.

FIGURE 4.5: NUMBER OF CONFIDENTIAL CONTRACT SUMMARIES BY CARRIER



Source: Confidential contract summaries filed with the Agency

The remainder were filed by the following carriers: CSX Transportation, Burlington Northern, Norfolk and Western, Wisconsin Central, Consolidated Rail Corporation, Algoma Central and the Southern Railway System. Compared to CN and CP Rail, these other carriers had a much lower rate of increase in contract filings in 1989.

Contract Filings

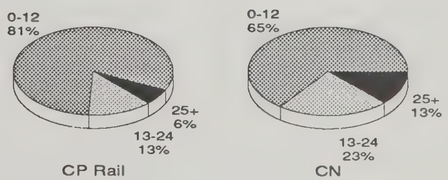
The rate of confidential contract filing doubled in 1989.

By the end of 1988, contracts were being filed with the Agency at the rate of well over 100 per month. By early in 1989, the rate of filing had increased to over 200 contracts per month and this level was maintained throughout the year. The railways estimated that at year's end, approximately 70 per cent of their revenues from non-grain traffic came from confidential contract traffic.

Most contracts were signed for a period of one year or less with only a small proportion for a period greater than two years. This was especially true for carriers other than CN. While CN's contracts, as in 1988, continued to be for longer periods than CP Rail's, the average duration of contracts filed by both railways in 1989 was about seven per cent shorter than in 1988. This could be because many of the new contracts in 1989 were with smaller shippers who were unfamilar with confidential contracts and were reluctant to commit themselves for a lengthy period.

About one in four contracts was an evergreen contract, defined as a contract whose terms and conditions are automatically renewed beyond the nominal expiry date unless either party to the contract notifies the other. CP Rail signed proportionately fewer of this type of contract than CN or the other carriers.

FIGURE 4.6: DURATION OF 1989 CONFIDENTIAL CONTRACTS IN MONTHS



Source: Confidential contract summaries filed with the Agency

TABLE 4.1

A REGIONAL RAIL TRAFFIC PERSPECTIVE

1980 TO 1988

This table highlights the volume and types of traffic originated and terminated by CN and CP Rail in each of Canada's regions. It also shows the shifts that have occurred in traffic patterns over the past decade.

BRITISH COLUMBIA

Originated Traffic

volume
38.5 million tonnes or 19% of total traffic originated in BC in 1988

key commodities
three commodities accounted for 85% of tonnage: coal 64%, lumber 13% and pulpwood chips 8%

destinations
92% of coal exported through west coast ports; 54% of lumber went to the US; and 86% of pulpwood chips shipped within BC

CN and CP
CP originated 57% more tonnage in the region than CN

trend
overall originating traffic up 59%: coal up 157%; lumber up 47%; and pulpwood chips down 13%

Terminated Traffic

volume
11.1 million tonnes or 6% of total traffic terminated in the region in 1988

key commodities
two commodities each terminated over one-half million tonnes: pulpwood chips 25% and inorganic bases (anhydrous ammonia and caustic soda) 8%

ALBERTA

Originated Traffic

volume
40.8 million tonnes originated in Alberta in 1988 or 20% of total traffic

key commodities
fifteen commodities each originated over one-half million tonnes: coal 22%, sulphur 17% and wheat 13%

destinations
80% of coal exported through west coast ports and 20% shipped to Ontario; sulphur 88% exported offshore; wheat 94% exported, mainly through west coast ports

CN and CP
CN originated 87% more traffic than CP

trend
overall originating traffic up 20%: coal up 27%, sulphur down 3% and wheat up 35%, petrochemical products also showed large increases

Terminated Traffic

volume
6.7 million tonnes or 3% of total traffic

key commodities
two commodities each terminated over one-half million tonnes: phosphate rock 15% and crushed limestone 10%

Table 4.1 (continued)

The two railways carried a total of 200 million tonnes of traffic in 1988 with CN handling 30 per cent more of the tonnage than CP Rail. Since 1980, traffic was up 11 per cent due mainly to growth in rail traffic originating in the western provinces and destined for export through ports in the West. This growth in western exports also accounted for the increase in overall export tonnages to 59% of railway traffic in 1988.

SASKATCHEWAN

Originated Traffic

volume
32.6 million tonnes or 16% of total traffic originated in Saskatchewan in 1988

key commodities
three commodities originated 82% of tonnage: wheat 40%, potash 33% and coal 9%

destinations
55% of wheat exported through west coast ports and 44% exported through ports in eastern Canada; potash 42% exported through west coast ports and 35% exported to the US; and coal mostly shipped to Ontario

CN and CP
CP and CN tonnages equal in 1988

trend
overall originating traffic up 11% primarily due to increase in coal; also there was a shift in export tonnages of wheat from eastern to western Canada

Terminated Traffic

volume
2.6 million tonnes or 1% of total traffic terminated in Saskatchewan in 1988

key commodities
only one commodity terminated over one-half million tonnes, iron and steel scrap 15%

MANITOBA

Originated Traffic

volume
8.4 million tonnes or 4% of total traffic originated in Manitoba in 1988

key commodities
only one commodity originated over one-half million tonnes, wheat 40%

destinations
96% of wheat exported, mainly through ports in eastern Canada

CN and CP
CN originated 23% more tonnes than CP

trend
overall traffic down by 11%, primarily caused by decreases in crushed limestone shipments

Terminated Traffic

volume
4.7 million tonnes or 2% of total traffic terminated in Manitoba in 1988

key commodities
only one commodity terminated over one-half million tonnes, coal 20%

Table 4.1 (continued)

ONTARIO	QUEBEC
Originated Traffic	**Originated Traffic**
volume 34.1 million tonnes or 17% of total traffic originated in Ontario in 1988	**volume** 16.7 million tonnes or 8% of total traffic originated in Quebec in 1988
key commodities wide distribution of commodities with over 21 commodities each originating over one-half million tonnes: top three were nickel-copper ores 11%, iron ore and concentrates 6%, and crushed limestone 5%	**key commodities** eight commodities each originated over one-half million tonnes: newsprint 16% and pulpwood chips 10%
destinations 71% of traffic was shipped to points within Canada and 62% of this traffic was destined to Ontario; a further 21% of Ontario traffic was exported by rail to the US	**destinations** 54% of originated traffic was shipped to points in Canada while an additional 40% was exported by rail to the US
CN and CP CN originated 29% more tonnage than CP; the top five commodities for CN were iron ore and concentrates, crushed limestone, refined and manufactured gases, newsprint and road motor vehicles; for CP they were nickel-copper ores, woodpulp, sulphuric acid, mixed carload freight and wheat	**CN and CP** CN originated 240% more tonnage than CP
trend overall traffic was down 23% or 10 million tonnes, with significant declines in iron ore, nickel-copper ores, pulpwood logs and diesel fuel	**trend** overall traffic was down 2%, across many commodities
Terminated Traffic	**Terminated Traffic**
volume 36.4 million tonnes or 18% of total traffic was terminated in Ontario in 1988	**volume** 15.1 million tonnes or 8% of total traffic terminated in Quebec in 1988
key commodities seventeen commodities each terminated over one-half million tonnes: coal 15%, nickel-copper ores 10%	**key commodities** six commodities each terminated over one-half million tonnes: pulpwood chips 11% and mixed carload freight 7%

Table 4.1 (continued)

ATLANTIC CANADA

Originated Traffic

volume
11.3 million tonnes or 6% of total traffic originated in Atlantic Canada in 1988

key commodities
three commodities each originated over one-half million tonnes: gypsum 46%, potash 14% and coal 7%

destinations
gypsum and potash exported through Atlantic ports, and coal originated and terminated in Nova Scotia

CN and CP
CN originated 404% more tonnage than CP

trend
overall tonnage up 13%: gypsum up 25% and potash was a new commodity for rail in this region

Terminated Traffic

volume
4.4 million tonnes or 2% of total traffic terminated in Atlantic Canada in 1988

key commodities
one commodity terminated over one-half million tonnes, coal 17%

IMPORTS AND EXPORTS

Imports

volume
imports originated 17.3 million tonnes in 1988 or 9% of total traffic, imports from the US originated 6% of total traffic and imports through eastern ports and western ports originated 2% and 1% of total traffic respectively

key commodities
mixed carload freight and groundwood paper were the two most important commodities originating from the US by rail, container-on-flat-car traffic and mixed carload freight were the two key commodities that originated through eastern ports and phosphate rock and mixed carload freight were the two key commodities that were imported through western ports

destinations
50% of US rail imports destined to Ontario and Quebec and 30% re-exported to the US by rail, over 80% of eastern and western imports with the exception of phosphate rock were destined to Ontario and Quebec

CN and CP
CN originated 9% more tonnes than CP

trend
overall import traffic up 46%

Exports

volume
118.8 million tonnes or 59% of total traffic was exported in 1988, 31% of total traffic was exported through west coast ports, 17% was exported to the US, and 11% was exported through eastern ports

key commodities
coal accounted for 25% of exports and wheat for 19%

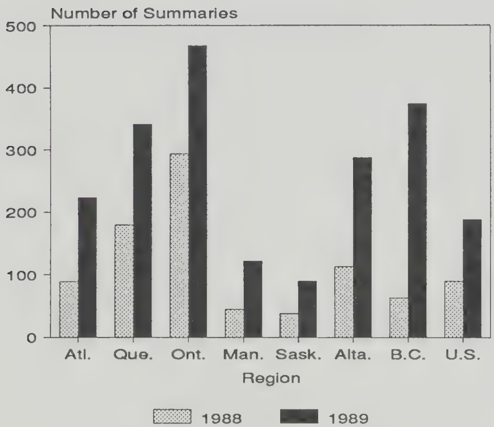
Source: Based on railway traffic information.

Regional Distribution of Contracts

The proportion of origins outside Ontario increased markedly in 1989.

In terms of the origins reported in the confidential contract summaries, 1989 saw a notable shift away from central Canada, which at year's end accounted for only two out of five contracts. Origins in British Columbia and the Atlantic Provinces were relatively more numerous in 1989 than in 1988. There was also a decline in the proportion of United States origins in the contracts.

FIGURE 4.7: ORIGINS LISTED IN CN CONTRACT SUMMARIES

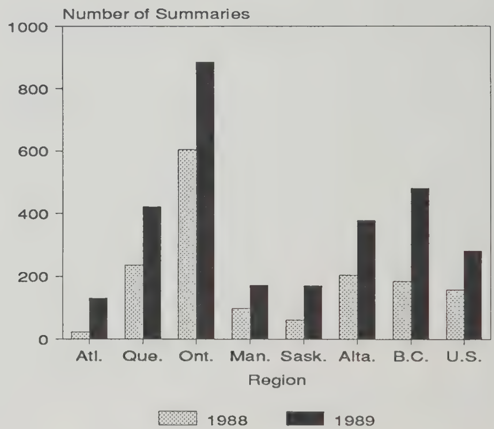


Note: For those contracts which contain more than one origin and/or destination, one origin is counted for each origin-destination pair contained in the contract. As a result, the total number of origins is greater than the number of contracts.

Source: Confidential contract summaries filed with the Agency

While both CN and CP Rail filed contracts showing origins and destinations in all regions of the country, there were some important regional differences between them. Atlantic Canada showed up more often in CN's contracts than CP Rail's, not surprisingly, considering the greater size of CN's network in the region. CP Rail's contracts, however, had a greater proportion of origins in Ontario. The contracts of the other carriers had a large proportion of origins and destinations in the United States since most of them are extensions of U.S. railways. The pattern of interregional origins and destinations listed in the confidential contracts is fairly representative of the railways' non-grain traffic. There are, however, some regional variations. For example, nearly 30 per cent of British Columbia's origins are paired with United States destinations compared to about one-sixth for the rest of Canada. Alberta origins are also often paired with U.S. destinations. Ontario figures prominently as a destination for traffic originating in Alberta. On the other hand, destinations in Alberta and British Columbia are often paired with origins in Ontario. Over one-half of United States origins are paired with destinations in Ontario and Quebec, while another one-fifth of the destinations were places within the United States.

FIGURE 4.8: ORIGINS LISTED IN CP RAIL CONTRACT SUMMARIES



Note: For those contracts which contain more than one origin and/or destination, one origin is counted for each origin-destination pair contained in the contract. As a result, the total number of origins is greater than the number of contracts.

Source: Confidential contract summaries filed with the Agency

Commodities Carried Under Contract

The lumber and chemical industries had the largest increases in the commodities listed in contracts.

Products from the lumber, chemical, food, pulp and paper, petroleum and mining industries continued to account for most of the commodities listed in the confidential contract summaries, with the lumber and chemical industries showing the most significant increases over 1988.

There were considerably more contracts covering lumber originating in British Columbia than for any other commodity/region combination. This was followed in order of importance by food products from Ontario, chemicals from Ontario and pulp and paper from Ontario and Quebec respectively.

Over 40 per cent of British Columbia's lumber contract summaries listed destinations in the United States and about another one-fifth had destinations in Ontario. Over one-third of Ontario food contracts showed destinations in British Columbia and Alberta with the balance spread across Canada and the United States. Of the large number of chemical industry contracts with Ontario as an origin, one in four listed destinations in the United States, with the balance having destinations mainly in Alberta, Ontario and British Columbia. The major destination listed in Quebec pulp and paper contract summaries was the United States, which accounted for 35 per cent of the destinations, while Ontario pulp and paper contracts were paired with destinations across Canada. Other significant origin-destination pairings include Alberta lumber to Ontario and Quebec, Alberta chemicals to the United States, United States chemicals to Ontario and Quebec, United States food products to Ontario, Quebec and other parts of the United States and Ontario petroleum and coal products to the United States.

Shippers and Confidential Contracts

Confidential contracts were used by all sizes of shippers, and shippers ranked them the number one competitive tool.

The increasing importance of confidential contracts in the rail marketplace was also evident in the survey results. More shippers reported having confidential contracts in 1989 and indicated that they and the railways were more active in approaching each other to negotiate contracts.

Shippers identified confidential contracts as the most important competitive tool in achieving competitive terms and conditions for their rail transport needs. In negotiating their confidential contracts, shippers placed the most emphasis on rate concessions followed by service and rate escalation guarantees. Furthermore, shippers appeared to have slightly increased the emphasis on service and equipment guarantees in 1989 compared to 1988, though survey results were far from conclusive.

Shippers of all sizes and levels of rail use indicated that they had confidential contracts. However, the use of contracts was reported relatively more often by shippers with annual transportation bills of more than $5 million than those with smaller freight bills. Also, shippers who moved more than 20 per cent of their traffic by rail reported that they had contracts relatively more often than those who moved less of their shipments by rail.

As in 1988, survey results for 1989 indicate that it was not necessary for shippers to move 100 per cent of their rail traffic under a confidential contract in order to sign a contract. The percentage of rail traffic under contract varied from a little to 100 per cent and did not depend on the shipper's size. However, those who relied more on rail to move their traffic shipped a higher average percentage of traffic under contract.

Based on survey results, shippers with confidential contracts had, on average, 65 per cent of their rail traffic under contracts in 1989 compared to 60 per cent in 1988. Relatively more large shippers reported that they had increased the percentage of their traffic under contract in 1989 than did small or medium-sized shippers.

Rate Levels

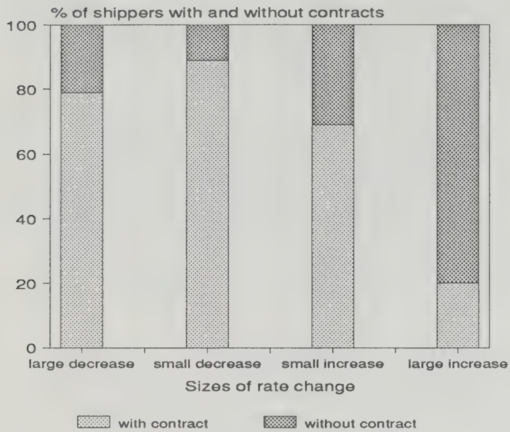
Confidential contracts played an important role in the rate changes experienced by shippers.

More than one-half of the shippers reported that their average rail freight rates had increased while the balance said that their rates had either stayed the same or declined. This resulted in an overall average increase of 1.1 per cent in 1989. Three-quarters of the reported increases were in the one to four per cent range while the remainder were mostly in the five to eight per cent range.

Confidential contracts played an important role in the size of rate changes experienced by shippers. Three out of five shippers who reported rate increases had confidential contracts. However, most of those increases were in the one to four per cent range while almost one-half of the increases for those shippers without contracts were greater than four per cent. In addition, four out of five of those who said their rates declined had contracts and over one-half of the declines were greater than four per cent.

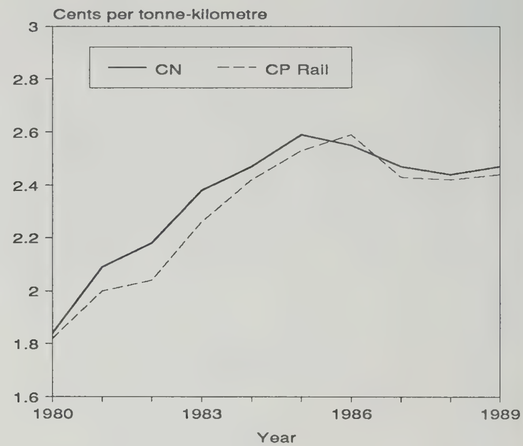
Seventy-nine per cent of the confidential contract users, a slightly greater percentage than in 1988, reported that their contract rates were lower than published tariff rates. Generally, shippers of all sizes and levels of rail use had contract rates which were lower. Only four per cent had contract rates which

FIGURE 4.9: SIZE OF RATE CHANGES REPORTED BY SHIPPERS WITH AND WITHOUT CONTRACTS



Source: NTA Shippers' Survey

FIGURE 4.10: REVENUE PER TONNE-KILOMETRE CN AND CP RAIL



1989: Preliminary figures

Source: Railways' Annual Reports filed with the Agency

were higher than published tariff rates and they were small or medium-sized shippers who used rail less than other modes.

Twenty-five per cent of those shippers who reported having confidential contracts in both 1989 and 1988 indicated that their 1989 contract rates were lower than their 1988 contract rates. Of the balance of shippers with confidential contracts in both years, one-third reported contract rates at the same level in 1989.

In the Atlantic Provinces, less than one-sixth of shippers surveyed by the Atlantic Provinces Transportation Commission reported higher confidential contract rates in 1989 than in 1988.

Revenue per tonne-kilometre statistics provide an overall indication of the changes in railway rate levels. As Figure 4.10 illustrates, the revenue per tonne-kilometre for CN and CP Rail showed only a slight increase in 1989. To understand the yearly variations in revenue per tonne-kilometre figures, the differences must be related to a number of diverse factors such as the demand for commodities, traffic mixes, the degree of intermodal and intramodal competition and the competitive mechanisms of the *NTA, 1987*.

Rail traffic declined in 1989 due to general economic conditions, problems peculiar to specific commodity markets and drought. Traffic decreases for individual commodities were not spread evenly between different origins and destinations with the result that the average revenue per tonne-kilometre went up for some commodities while it went down for others.

Confidential contracts, combined with the other competitive features of the *NTA, 1987*, as the survey results indicate, had a generally beneficial effect on shippers' rail rates by either dampening the pace at which they increased or by actually decreasing them. This in turn placed downward pressure on the revenue per tonne-kilometre.

Railway rates in some cases were also subject to competitive pressures from other modes. Many shippers reported that they ranked access to other modes high in achieving competitive terms and conditions.

Shippers' Assessment

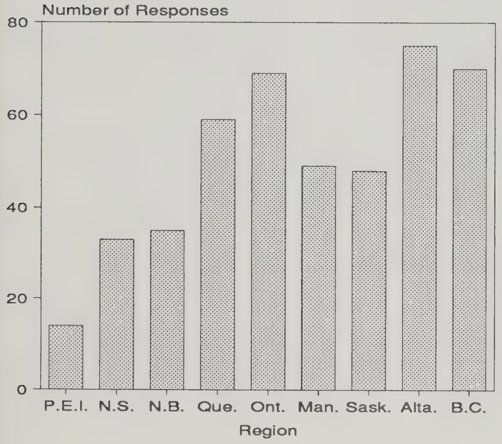
Shippers gave confidential contracts a favourable assessment.

Shippers are making extensive use of contracts and report them as their number one competitive tool. The survey results show that shippers have benefitted from them in terms of rate and service packages negotiated with the railways. Such packages can be designed for a specific movement and include incentives for higher volumes per train and quicker equipment turnarounds. Overall, shippers from all regions gave confidential

contracts a favourable assessment, as Figure 4.11 illustrates.

The Atlantic Provinces Transportation Commission, based on contacts with shippers, commented that "More shippers looked at confidential contracts as a positive tool for meeting their transportation needs in 1989 than in 1988."

FIGURE 4.11: SHIPPERS REPORTING POSITIVE IMPACT OF CONFIDENTIAL CONTRACTS BY REGION



Source: NTA Shippers' Survey

Carriers' Assessment

Railways were positive towards confidential contracts.

CN's assessment of confidential contracts is illustrated in the following quotation, "For both shipper and carrier, this is, by far, the most important and positive provision in *NTA, 1987*."

CP Rail, the Canadian railway with the largest number of confidential contracts filed, commented that, "In 1989, confidential contracts were again the dominant visible feature of the new competitive environment..." It went on to state, "However, confidential contracts bring with them significant revenue reduction."

Competitive Access and Dispute Resolution

The *NTA, 1987* promotes competition between railways through a number of competitive access and dispute resolution provisions. Shippers attempting to obtain competitive rates and services have the choice of either using the provisions as levers in their negotiations with the railways or of making use of the provisions to access another railway or resolve a dispute.

Interswitching

Shippers were generally positive on the impact of interswitching.

Shippers, located on the line of one railway but within a 30-kilometre radius of an interchange with a second railway, have the competitive option of interswitching their traffic to the second railway.

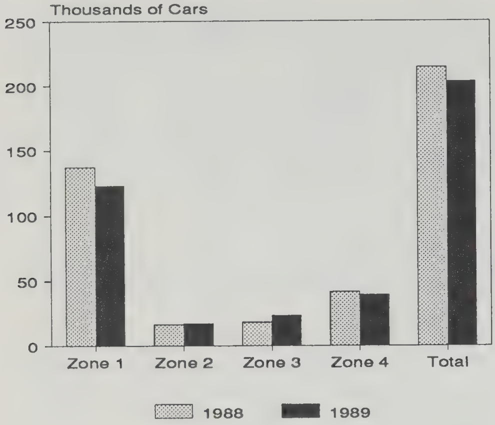
Four zones have been established for setting maximum interswitching rates: zone 1, up to 6.4 kilometres; zone 2, from over 6.4 to 10 kilometres; zone 3, from over 10 to 20 kilometres; and zone 4, from over 20 to 30 kilometres.

Survey results indicate that a significant proportion of shippers who are located within those limits interswitched their cars in 1989 and that many of these shippers used the provision to obtain more competitive terms and conditions.

On average, 50 per cent of the shippers in each region who interswitched their cars to a second railway indicated that it had a positive impact on their firms. Most of the other shippers claimed it had a neutral effect. Shippers also reported that interswitching was important in achieving competitive terms and conditions, either through the actual interswitching of cars or through the use of the provision in negotiations.

The number of cars interswitched between CN and CP Rail and from the two railways to other railways in 1988 and 1989 is presented in Figure 4.12. Over 60 per cent of interswitching activity took place in zone 1 which corresponds to the four-mile limit prevailing prior to 1988. Over one-quarter of zone 1 interswitching is estimated to be attributable to the exchange of grain cars for delivery to terminals, mainly in Thunder Bay. Of the remaining activity, there were more cars interswitched in zone 4 than in either zones 2 or 3.

FIGURE 4.12: INTERSWITCHING BY ZONE
CN AND CP RAIL



Source: Based on railways' submissions to the Agency

Overall, the number of cars interswitched by the two railways decreased by eight per cent in 1989. Statistics are not available for the years prior to 1988 and thus it is not possible to compare activities of the last two years to trends prior to 1988.

The activity in zones 2 through 4, where prior to 1988 shippers were ineligible to use interswitching, comes from traffic formerly moved over a joint route by the two railways and from traffic that previously did not move at all on the railway which is performing the line-haul. However, the split between the two types of interswitched traffic is not known, making it difficult to measure the impact of the new interswitching limits allowed under the *NTA, 1987.*

CP Rail, while acknowledging in its submission to the Agency that interswitching has been effective in granting some shippers competitive access, expressed concern over the extension of interswitching limits beyond 30 kilometres because it could create an "informal new boundary." Shippers beyond 30 kilometres, however, have the option of using competitive line rates.

CN expressed the opinion that interswitching charges should be established by the railway and the purchaser rather than by the Agency.

Major ports in Canada were canvassed for their views on the impact of the *NTA, 1987.* Although most ports had no comments on interswitching, the ports of Halifax and Saint John did express strong concerns on the subject. Their position is best summarized in the following quotation from the Halifax Port Corporation, "...the expanded interswitching provisions...have enabled U.S. railways to better compete for Canadian import and export cargo." The Port of Montreal also raised the subject of U.S. carriers using interswitching in its submission and called for equal treatment for Canadian and U.S. railways on both sides of the border. A remedy which has been suggested for this would be the elimination of the movement of trailers on flat cars and containers on flat cars from the interswitching provisions, as they are from the competitive line rate provisions.

Competitive Line Rates

Shippers reported that competitive line rates are important bargaining tools.

Shippers local to one railway but who are outside of interswitching limits have the option of using competitive line rates to access a second railway.

There has been little actual use of competitive line rates, with the Agency determining four in 1989 and one in 1988. These competitive line rates were all to connecting U.S. rail carriers for transborder traffic. No competitive line rates have been established between Canadian railways. However, they have played an important role as a negotiating tool. Captive shippers reported that competitive line rates were important in bargaining for competitive terms and conditions and that they had a positive impact on their firms. On the other hand, railways maintained their opposition to them. CP Rail said that competitive line rates are unnecessary and CN stated that, as with the interswitching provisions, their actual use causes the benefits of one railway's investments to be shared with its competitors.

The analysis of the survey results revealed that there are still many shippers who are not completely aware of the competitive access provisions of the *NTA, 1987.*

Dispute Resolution Provisions

The fact that little use was made of the dispute resolution mechanisms is a signal that the rail provisions of the NTA, 1987 are working as intended.

Little use was made of the dispute resolution provisions in 1989. For rail there were eight public interest investigation applications, one of which was withdrawn, four mediations on terms and conditions

and one final-offer arbitration application which was later withdrawn.

Most shippers responded that these provisions had no impact on their firms and they also ranked them less important in achieving competitive terms and conditions than confidential contracts and competitive line rates. Some shippers, however, did stress the benefits of final-offer arbitration as a bargaining tool.

The fact that little use was made of the provisions and that shippers were fairly neutral in their assessment is an indication that the rail provisions of the *NTA, 1987* were working as intended. Shippers and railways were able to arrive at arrangements under the new market-driven regime which were satisfactory to both parties and there was limited need to resort to a third party.

The importance of both competitive access and dispute resolution provisions is best summarized in the following quotation from a large shipper, "Although the competitive access and final-offer arbitration provisions were not used explicitly they were significant in achieving a more balanced negotiation than heretofore had been possible".

The Competitive Environment in Summary

The NTA, 1987, the trucking industry and the Free Trade Agreement have all created a more competitive environment for the railways.

The general assessment of shippers and railways was that the rail provisions introduced by the *NTA, 1987* created a more competitive marketplace, with confidential contracts playing a pivotal role. Railways have signed a substantial proportion of their non-grain traffic to contracts. They were also able to use contracts in efforts to achieve their goal of recapturing traffic from trucks. Shippers have managed to negotiate rate and service packages through contracts which helped them maintain or improve their own competitiveness domestically and abroad. Shippers also recognized the importance of the bargaining tools provided by the *NTA, 1987* in achieving such ends.

CP Rail, at the close of its submission, gives an overall evaluation of the provisions of the *NTA, 1987*. After reaffirming its opposition to competitive line rates, CP Rail states, "...we agree with many shippers that the Act can create significant benefits." CN commented on the challenges involved in assessing the impact of the *NTA, 1987*. It noted the difficulty of separating the effects of the provisons of the Act from other influences such as the Free Trade Agreement and then pointed to the challenge, "...of isolating the effect of some of the provisions of the Act on the pricing yield obtained by CN in recent years." Both railways recognized that competitive factors do not permit them to escalate rates to the level of inflation.

A majority of shippers reported that the railways were interested in competing with each other. There was, however, a large number of shippers, as in 1988, who said that the railways were indifferent or not interested in directly competing. Many of this latter group shipped a small proportion of their traffic by rail and tended not to have confidential contracts. The balance of this group, however, tended to ship a significant proportion of their traffic by rail, to have confidential contracts and to be captive at one or more locations. The following quotation by a major shipper who had access to a second railway through interswitching summarizes the views expressed by such shippers, "I don't believe that the two major Canadian railways were interested in directly competing for our traffic in 1989. There seems to be a great reluctance to start a rate war."

POLICY IMBALANCES CLAIMED BY CN AND CP RAIL

CN and CP Rail, in their submissions and throughout the year, have focused attention on a number of what they refer to as policy imbalances:

★ **lack of equity in the treatment of rail versus truck operations:**

- **incomplete highway cost recovery from truckers;**
- **payment of fuel taxes by railways which go towards payment for the highways;**
- **payment by railways of property taxes on rights-of-way whereas truckers do not have equivalent taxes;**
- **trend among provincial governments to increase the maximum allowable lengths and weights of tractor-trailer combinations, factors which impact on relative modal competition.**

★ **disadvantageous tax environment compared to the one enjoyed by United States railways.**

NORTH-SOUTH LINKS

"The priorities for CP Rail spending...are driven by the need to develop a strategic position in a given market.... Such strategic commitments include expanding the railway's presence in the U.S...." (quotation from CP Rail submission)

Both CN and CP Rail are repositioning their services in the face of expanding north-south trade to meet the evolving needs of shippers and to ensure the long-term viability of the railways. This relative increase in the importance of north-south links in comparison with east-west ones is caused by a number of factors. Among these are the implementation of the Canada-United States Free Trade Agreement and the growing competition coming from U.S. ports handling container traffic.

The major Canadian railways are reacting to these events by becoming more involved in the north-south market, either by forging stronger links with U.S. carriers or by acquiring them. For example, CP Rail has increased its ownership of the SOO Line to 100 per cent and is in the bidding for the Delaware and Hudson Railroad. In addition, CP has entered into an operating agreement with Conrail for the movement of containers between New York and Montreal. CN has similarly entered into agreements with U.S. carriers to handle traffic. CN is also involved with U.S. railways in the movement of double-stack container trains from U.S. Northwest ports to Toronto and Montreal.

The railways face other competitive pressures in addition to those created by the *NTA, 1987*. With the coming into force of the Free Trade Agreement, the importance of north-south traffic flows has grown relative to the importance of east-west flows and the railways must adjust their strategies in order to maintain traffic levels. The railways must also deal with a trucking industry which has become more competitive under the liberalized entry rules of the new *MVTA, 1987*. The trucking industry is adjusting its operations to a North American perspective.

The railways want to maintain or increase market share relative to trucking in this more competitive environment. They claim that their position in the market is handicapped by a number of policy imbalances in the broader context which they state must be corrected.

The railways are meeting the challenge of the more competitive environment by reducing their costs through better cost controls, new ways of operating and the introduction of new technology. Labour downsizing, the Rogers Pass realignment and the operation of cabooseless trains are all examples. Such measures lead to significant productivity savings which the railways can use to become more competitive. Nevertheless, CN and CP Rail both stress that they must eliminate significant amounts of unused trackage if they are to achieve the necessary cost reductions. They have expressed the view that some lines will have to be either abandoned or transferred to others to operate if they are to retain a viable core system. Shippers not located on the core system would be served intermodally.

Generally shippers were aware of the railways' intentions. The fact that, again in 1989, less than a handful of shippers had any comments to offer on line abandonments in the Shippers' Survey is an indication that rail rationalization is generally accepted by rail users as necessary to achieve productivity gains in the Canadian rail system.

The sections on Performance and Rationalization will examine more closely how the railways are achieving cost reductions.

SERVICE

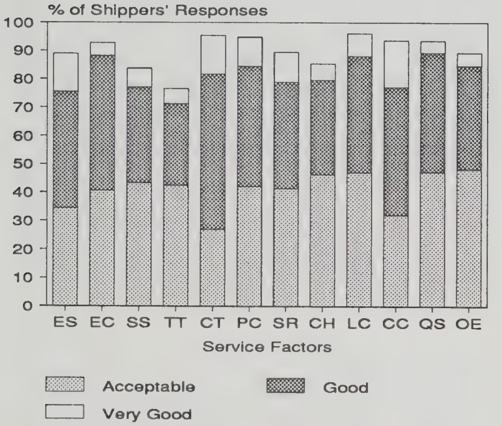
Shippers were generally satisfied with service in 1989.

Shippers assessed railway service performance on 12 different service factors. Their responses, which are presented in Figure 4.13, indicated that they were generally satisfied with service in 1989. Six of the factors had ratings above 90 per cent; four were in the 85 to 90 per cent range; one was in the 80 to 85 per cent range and one was in the 75 to 80 per cent range. The latter factor was transit time, and a further analysis of responses indicates that a majority of these respondents had transportation bills of less than \$10 million a year and used railways to move less than 50 per cent of their traffic.

Shippers also rated overall service in 1989 in comparison to 1988. Twenty-six per cent of the respondents reported that service had improved, 54 per cent indicated it had remained the same and

20 per cent said it had deteriorated. This latter group generally said the deterioration had been minor. Analysis of these responses showed that a majority of them had annual transportation charges of less than $10 million and that they shipped less than 50 per cent of their traffic by rail. Although these respondents indicated that there had been some decline in service, a review of shippers' comments turned up only a few who had complaints to make. This point is also confirmed by Agency records which show no noticeable increase in 1989 in the number of complaints received by the Agency concerning rail services.

FIGURE 4.13: SHIPPERS' RATING OF RAIL SERVICE FACTORS



Legend: ES = Equipment Supply; EC = Equipment Condition; SS = Switching Service; TT = Transit Time; CT = Car Tracing; PC = Product Care; SR = Service Reliability; CH = Claims Handling; LC = Liability Coverage; CC = Carrier Cooperation; QS = Overall Quality of Service; OE = Overall Efficiency of Service

Source: NTA Shippers' Survey

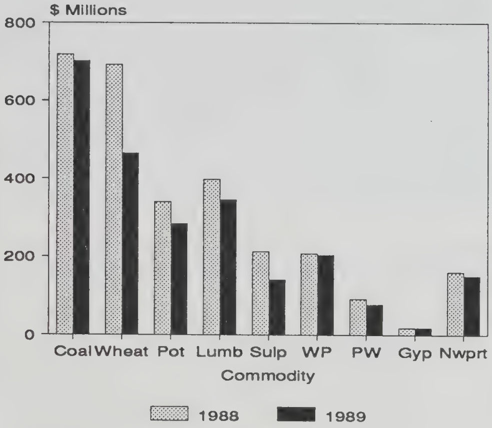
CARRIER PERFORMANCE

Net income for CN and CP Rail dropped significantly in 1989 due to traffic decreases.

The impact of reduced traffic was quite evident on railway revenues. CP Rail's freight revenues dropped from $2.5 billion in 1988 to $2.3 billion in 1989, a reduction of 10.5 per cent and CN's freight revenues dropped from $3.4 billion to $3.2 billion, a reduction of 7.9 per cent. This in turn resulted in lower net incomes for the railways. After the two best years in its history, CP Rail's net income dropped dramatically in 1989 in response to the significant drop in traffic handled. CN also reported a reduction in net income but to a much lesser degree. However, CP Rail continued to have a larger net income before taxes than CN. In fact, since 1976, CP Rail's net income has surpassed the $100 million mark every year while CN reached this net income level six times, twice in the last two years.

CN has historically had a higher ratio of track and

FIGURE 4.14: CN AND CP RAIL REVENUES GENERATED BY SELECTED COMMODITIES



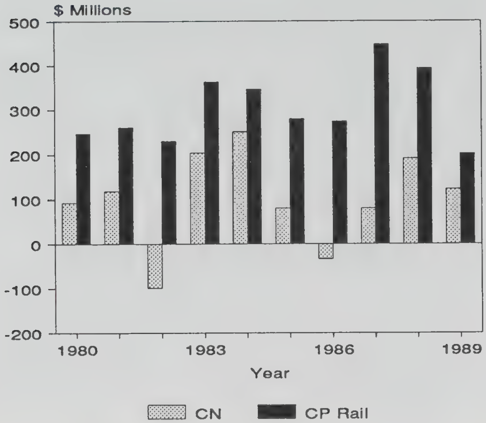
Legend: Pot = Potash; Lumb = Lumber; Sulp = Sulphur; WP = Woodpulp; PW = Pulpwood Chips; Gyp = Gypsum; Nwprt = Newsprint

Source: Based on traffic tapes provided by the railways

employees to output than CP Rail and, thus, relatively higher operating expenses, which is one of the principal reasons for the lower net incomes of CN. Another factor is CN's higher debt load, which results in higher interest expenses. In recent years, CN's management has been actively reducing this debt by various measures, including selling CN's non-rail assets. This process continued in 1989, with total debt reduction of approximately $200 million.

CN's higher cost structure than CP Rail's is also reflected in the operating ratio -- the ratio of operating expenses to operating revenues. As shown in Figure 4.16, the operating ratios for both railways increased in 1989. This increase occurred because, with fixed costs representing such a significant proportion of railway expenses, the substantial decline

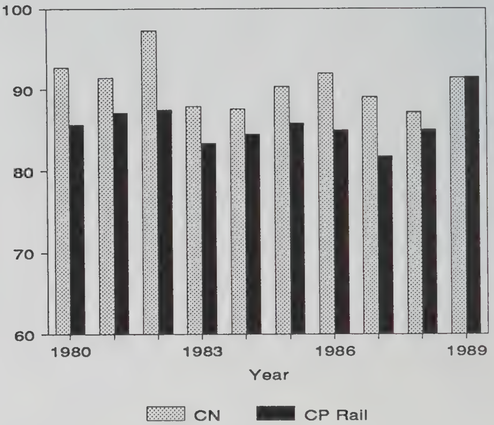
FIGURE 4.15: NET INCOME
CN AND CP RAIL



1989: Preliminary figures

Source: Railways' Annual Reports filed with the Agency

FIGURE 4.16: OPERATING RATIOS
CN AND CP RAIL



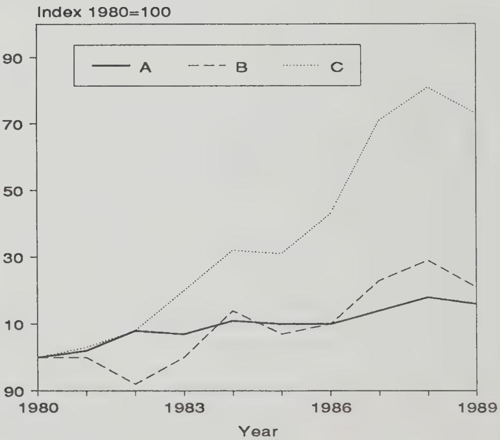
1989: Preliminary figures

Source: Railways' Annual Reports filed with the Agency

in revenues due to the drop in traffic in 1989 could not be matched by an equivalent decline in railway expenses.

The railways have been striving to implement efficiencies to smooth out the fluctuations in net income due to changes in traffic levels and to meet the added pressures of increased competition. These efficiencies have been introduced in several areas, such as type of equipment used, maintenance of roadway and rolling stock, train operations and labour force adjustment. Figure 4.17 shows, for a number of indices, how overall railway productivity has been increasing since 1980. Both CN and CP Rail reported continued efforts to increase productivity during 1989. For instance, CP Rail undertook the following initiatives in 1989 to improve service and reduce costs: a $29 million investment in the Vaughan intermodal facility, the long-term lease of intermodal cars and covered hopper cars and the construction of new transfer facilities for lumber and metal concentrates. CN's efforts in this area included further development and trial of Advanced Train Control Systems computer-based technology, the negotiation of non-inflationary wage increases for its unionized workforce (this was also done by CP Rail), a major mechanization of the track maintenance function, resulting in a reduction of the workforce in this area from 3,400 to 2,000 and the acquisition of specialized cars to handle woodpulp, motor vehicles and intermodal containers and trailers.

FIGURE 4.17: RAIL PRODUCTIVITY INDICES



1989: Preliminary figures

Legend: A - Revenue tonnes per carload
B - Revenue tonne-kilometres per route kilometre
C - Revenue tonne-kilometres per employee

Source: Railways' Annual Reports filed with the Agency

NETWORK RATIONALIZATION

Abandonment Activities

CN and CP Rail plan to file new applications for rail line abandonment in 1990 covering about 1050 miles.

The *NTA, 1987* requires the Agency to report in the Annual Review on abandonment activities in the year under review and on the railways' planned abandonments for the current year. There are three main types of activity the Agency deals with under the network rationalization program: new line abandonment applications (or reconsiderations), applications for a review, and conveyance applications. Before any new abandonment application can be considered by the Agency, the railway must file a Notice of Intent to apply and wait at least 90 days before filing the application. In the case of previous applications where the Agency ordered the operation of the line continued, these must be reconsidered once every three years after receipt of an application. There are also instances when the Agency receives requests from interested parties to re-examine an Order it has issued previously and to vary or otherwise alter the original Order; such a request is filed in the form of an application for review. Lastly, to obtain approval to have a rail line conveyed to another interested party the railway presently owning the line must file an application for conveyance. A major case during 1989 involved a proposed conveyance by the Algoma Central Railway.

The legislation limits the annual amount of railway line that can be authorized to be abandoned to four per cent of the mileage of each railway's network. In this regard, the Agency permitted CN to abandon four per cent of its network and CP Rail 3.5 per cent of its network in 1989. While CP Rail had the full mileage limitation before the Agency for decisions in 1989, it was not given authority to abandon this total for the following reasons: 1) the abandonment of CP Rail's Carleton Place subdivision, equalling 0.1 per cent, was postponed from the end of 1989 to mid-January 1990, to coincide with VIA Rail's discontinuance of passenger-train service on that line; 2) in two other cases, totalling 0.4 per cent, the effective date of abandonment was set in 1990 to give affected shippers time to convert to alternative transportation.

An overview of abandonment activities is supplied here and more detailed figures are reported in Appendices C to G.

ALGOMA CENTRAL RAILWAY

The Algoma Central Railway operates as a Class II carrier in northeastern Ontario. In addition to its Rail Division, it also operates Marine and Real Estate Divisions. Since 1988, the Algoma Central has twice sought Agency approval under section 158 of the NTA, 1987 to transfer its Rail Division to a wholly-owned subsidiary; in both instances the Agency did not approve the proposed transfer.

The Agency concluded that the transfer would not be in the public interest because of serious concerns about the future financial viability of the railway operations due to the potential for a serious decline in demand for freight services from its major customer, an inability to finance new passenger equipment and the cessation of a significant federal government subsidy. It is the Agency view that some form of outside assistance will be necessary for the rail services provided by the Algoma Central Railway to continue.

There were a total of 14 Notices of Intent to apply to abandon lines in 1989 as shown in Appendix C; of these nine were followed by formal applications for abandonment during the year. Additionally, six applications were filed relating to Notices of Intent which had been submitted in 1988. As shown in Appendix D, the Agency received 15 new applications for abandonment in 1989.

In total, the Agency had 70 active abandonment cases before it during 1989 requiring decisions either within 1989 or early in 1990. These included several requests for review of previous Orders, new applications and/or Notices of Intent filed in 1989, applications carried over from previous years and applications requiring reconsideration. Forty-two cases involved CN lines, 27 were for CP Rail trackage and one case involved CSXT trackage abandonment. Appendix E provides further details on the 70 abandonment cases and focuses on individual line segments. The focus on line segments is important because the Agency can group or subdivide line abandonment applications to ensure that any permitted abandonments take place in a manner which ensures rational improvements in network efficiency.

Decisions on all but two of the cases which were carried forward from 1988 were rendered in 1989. The two exceptions were cases where extensive public hearings were required and decisions for these cases

were released in early 1990. The Agency issued 39 Orders, as indicated in Appendix F, containing its decisions on 47 of the 70 cases listed in Appendix E. Of the remaining 23 active cases, 11 involve reconsideration cases due for completion in 1990, two as stated above had decisions released in early 1990, nine involve applications carried over into 1990 as a result of the railways filing notices late in 1989, and one case was postponed to 1990 in order that the Agency could be better informed about the potential inter-dependence of the lines in the case with other lines in the area due for reconsideration in 1990. Appendix F lists as well two Agency decisions and one Privy Council Order issued in 1988 which became effective in 1989.

The Agency canvassed 15 railway companies as to their plans for rail line abandonment in 1990. As indicated in Appendix G, CSXT, CN and CP Rail were the only companies to submit plans while the others indicated that they would not be filing any applications in 1990. CSXT intends to apply to abandon two segments of its lines, involving 13 miles of track. CN plans to file 22 applications covering 400 miles and CP Rail intends to file 26 applications covering 650 miles.

Section 175 Funding

The restrictive interpretation of section 175 of the NTA, 1987 has resulted in only one approval for funds to date.

The main principle of the new legislation was to rely on increased competition for the provision of viable and effective transportation services. On the rail side, it was realised that the railways, under competitive pressures, would need greater flexibility to manage their costs. To help achieve this, new streamlined procedures for the abandonment of branch lines were put in place.

Last year's Annual Review, which included the report on Agency consultations with provinces, shippers, carriers and other parties interested in defining an essential rail network, stated:

> "Every party contacted raised the question of when, how, and how much money would be provided to implement sections of the *National Transportation Act* giving assistance to parties adversely affected by abandonments. Provision of these transitional funds was considered urgent and vital."

The legislation addresses problems for shippers who may be affected by rail line abandonments. The principal ones are the provisions for transitional funding described in section 175 of the Act. This funding was to enable rail shippers affected by an abandonment to overcome obstacles in switching to another mode of transport and was a key element in the public consultations which led to the Act. If a line is ordered retained in the public interest, then the government must subsidize the total loss of that line, as determined by the Agency, over a given period. Savings generated by relieving the government of the obligation to pay subsidies on the operation of abandoned branch lines were to form the source for the transitional funding.

This section of the Act is administered by Transport Canada. It is a matter of great concern to provinces, shippers and railways that the transitional funding provisions have not been administered in the manner foreseen during the public consultation process. Rather, their restricted administration has resulted in only one approval for funding to date.

This position was reiterated by CP Rail in its 1989 submission:

> "It is noteworthy that, after two full years, the transitional funding feature of the Act has yet to be used. Since it has the potential to ease the change to alternative transportation systems, an effective procedure should be put in place. Transitional assistance can facilitate the move to lower-cost services and reduce line subsidy payments."

This issue remains unresolved and the Agency deems it to be of considerable concern and as a disincentive to amicable rationalization of the rail network.

TRUCKING SERVICES

HIGHLIGHTS OF 1989

Regulatory Reform

There was greater uniformity among jurisdictions in 1989; however, carriers expressed concern about the uneven implementation of the safety provisions of the legislation.

Structure and Operations

Carriers expanded their market coverage in all regions through mergers, acquisitions and broader operating authorities. Productivity gains were achieved by streamlining and consolidating operations. Shippers benefitted from expanded and more efficient services.

Competition and Rates

Shippers continued to benefit from the level of competition in domestic and transborder markets. Rate levels, while more stable, were subject to strong competitive pressures. In key transborder markets, intense price competition from U.S.-based carriers eroded the market share of Canadian carriers.

Financial Performance

Overall, the financial performance of the industry showed a slight improvement in 1989, although profit margins remained slim.

REGULATORY REFORMS

The *Motor Vehicle Transport Act, 1987* (*MVTA*) defined a new national framework for the regulation of extra-provincial trucking. As of January 1, 1988, carriers operating beyond the limits of a province or territory (such as between provinces or across the Canada-U.S. border) are regulated by legislation prescribing the:

- easing of entry regulations
- discontinuance of rate controls
- promotion of national uniform market entry administered by provincial licensing boards under delegation of federal authority
- implementation of effective safety regulation of trucking services under federal jurisdiction

Under the new legislation, the "public convenience and necessity" test is replaced by a "fitness" entry test and a "reverse onus" public interest test. (Under "reverse onus" the burden of proof shifts from the applicant to the objector).

On January 1, 1993, the public interest test is scheduled to expire. At that time, "fitness" is to become the sole criteria for the licensing of extra-provincial trucking, and any existing licences will no longer be subject to limitations on type or area of service. Prior to the expiry of the "reverse onus" provision, the Minister of Transport is to determine whether an extension of the transition period is needed.

1989 Regulatory Perspective

There was a greater degree of uniformity among jurisdictions in the implementation of the MVTA in 1989.

During 1988, provincial and territorial variations in the interpretation of the MVTA, as well as procedural differences, made the licensing process uneven among jurisdictions. The second year of regulatory reform, 1989, was characterized by a greater degree of uniformity among jurisdictions in the application of the new legislation.

Procedural differences among provinces were reduced through the introduction of a standard application form and comprehensive application guide.

Processing delays and uncertainties, arising out of a jurisdictional dispute during 1988 in Ontario, were largely resolved in 1989. Manitoba, in an effort to reduce lengthy delays in dealing with applications, instituted a process of summary procedure as an alternative to public hearing.

The easing of entry controls is reflected in the disposition of applications (see box below). According to information provided by the provinces and territories, over 10,000 licences were granted in 1989, representing close to 97 per cent of processed applications. Of the 75 applications denied, 70 were for temporary authorities governed by administrative criteria in Quebec and not subject to the public interest test.

DISPOSITION OF APPLICATIONS - 1989

Granted unopposed	9,937
Granted opposed	185
Granted in part	213
Withdrawn	128
Denied	75
Pending	1,540

There were 487 applications protested under the "reverse onus" provisions of the legislation in 1989 compared to about 990 a year earlier. The decrease is consistent with the evolution and "maturing" of regulatory reform; in the first year, some of the opposition was intended to test the scope of the legislation and approach of regulatory boards.

APPLICATIONS OPPOSED - 1989

British Columbia	156
Manitoba	110
New Brunswick	106
Ontario	65
Saskatchewan	31
Other	19
Total	487

Of the 487 applications protested in 1989, more than one-half were resolved either through amendment of the application or withdrawal of the opposition. Public

hearings were ordered in 127 cases, mostly in Manitoba.

Except for the processing delays in Manitoba, the entry process has become, from an industry point of view, much less of an issue in 1989. Carriers and shippers are focusing on the safety provisions of the legislation because of a concern for a safe environment, but also because of the economic and operational implications.

Regulatory Developments

In June 1989, the Minister of Transport issued a policy statement giving direction on the administration of the "reverse onus" public interest test. For the most part, the policy confirms the guidelines proposed by provincial and territorial regulatory bodies. A review of decision records showed that jurisdictions have generally adhered to the basic tenets of the policy (or earlier guidelines).

Jurisdictions, however, have divergent positions on the question of *cumulative effect*. *Cumulative effect* involves assessment of the impact of the proposed operation in conjunction with consideration of the impact of granting similar pending applications. From a judicial perspective, the Manitoba Court of Appeal, in ruling on an appeal of a denied application (Lindsay and Smith), found that the consideration of *cumulative effect* in the context of a "reverse onus" public interest test was inconsistent with the provisions of the legislation.

Another case also has regulatory implications. In considering an application for a broader authority by Sunbury Ltd., an Irving-affiliated carrier, the New Brunswick Motor Carrier Board determined that where a carrier is in a position to deter entry by means of market distortion practices, users of transportation services are adversely affected.

These considerations were brought to bear on the Sunbury application as a result of evidence presented by respondents under the "reverse onus" provision of the *MVTA*. The decision by the Board to deny the application is currently under appeal. Regardless of the outcome of the appeal, the question arises, from a regulatory perspective, as to how the interests of users can be protected in similar circumstances once "reverse onus" is removed, as provided for in the legislation. Consideration of this question can not, however, be disassociated from the existence of other legislation to safeguard competition (e.g. the *Competition Act*).

POLICY STATEMENT
MVTA PUBLIC INTEREST TEST

The policy on the administration of "reverse onus" public interest test notes that the nationality or domicile of applicant and the adequacy of existing services are not relevant in determining whether a proposed operation would likely be detrimental to the public interest.

Primary emphasis is to be given to the interests of users through consideration of the effect of the proposed operation on:

- **the availability of transport services**
- **trucking price and service options**
- **productivity and efficiency of users**
- **transportation costs**
- **level of competition, market concentration, and likelihood of abuses of market power**
- **price or service discrimination**
- **stability of the industry and infrastructure**
- **impact on employment and productivity**
- **international and inter-provincial trade**

INDUSTRY STRUCTURE

The impact on shippers of structural changes in the trucking industry has been positive.

Developments affecting the structure of the trucking industry in Canada in 1989 followed patterns which emerged in the years leading up to regulatory reform; these include:

- territorial and market expansion
- new entrants
- mergers and acquisitions
- corporate consolidations
- rationalization
- market withdrawals
- triangulation

Established carriers continued to pursue market expansion by acquiring broader operating authorities, both within Canada and into the United States.

Entry

Market expansions, consolidations and new entrants continue to redefine the composition of the industry.

The volume of applications for operating authorities reflects a sustained level of entry in the industry. Over 30 per cent of applications for extra-provincial authorities were submitted by Canadian carriers based in jurisdictions other than the one for which the licence was requested (Table 5.1); this is an indication of the extent of market expansion by established carriers.

While the total number of applications in 1989 was about 10 per cent lower than in 1988, entry levels should be considered in relation to specific circumstances and reporting requirements prevailing in the different jurisdictions.

The relatively high number of applications for Quebec is partly accounted for by a re-licensing program which was in effect from January 1988 to June 1989; as well, about 50 per cent of the applications relate to operating authorities not subject to the public interest test (such as temporary licences, contract carriers, owner/operator authorities). In Ontario, a large proportion of applications submitted in 1988 were not processed until 1989, following resolution of a jurisdictional dispute and passage of new provincial legislation.

Of carriers consulted for the second Annual Review, 16 per cent fewer reported seeking operating authorities in 1989 compared to 1988. Broadly-based carriers (i.e. those operating intra-provincial as well as extra-provincial domestic and international services) were the most active in applying for licences. The number of applications by U.S.-based carriers also more than doubled in 1989, to 1,819 from less than 800 a year earlier.

While new carriers continue to enter the industry (mainly in regionally-based truckload markets, both domestic and international), the major source of competition, according to the carriers consulted, derives from territorial expansion and market diversification of established carriers.

In the less-than-truckload (LTL) sector, there was little in the form of new entry on a broad regional or national scale. The major LTL carriers, however, were heavily engaged in rationalization of operations to achieve better economies of scale and improve efficiency levels. Companies such as Cabano Expéditex, Federal Industries Transport Group, and Glengarry Transport took action to reduce overhead and overcapacity in terminal operations, eliminate duplicate facilities (resulting from mergers) and consolidate company units.

TABLE 5.1
Applications by Carrier Domicile 1989

Carrier Domicile	Nfld	PEI	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Yk.	NWT	TOTAL
Resident	23	14	72	107	3,548	1,936	131	226	267	430	14	n/a	**6,768**
Other Cdn. Jurisdiction	95	109	184	294	1,514	500	202	333	335	386	49	n/a	**4,001**
U.S.	9	8	21	52	879	418	59	73	147	149	4	n/a	**1,819**
TOTAL	**127**	**131**	**277**	**453**	**5,941**	**2,854**	**392**	**632**	**749**	**965**	**67**	**n/a**	**12,588**

Notes:

Quebec: reflects licences issued during 1989 and does not necessarily correspond to applications received during this period; includes temporary licences & licences granted to sub-contracting carriers and other categories not subject to public interest test. Carriers holding licences issued prior to January 1988 were required to apply for new operating authorities by June 1989.

Ontario: comprises statistics for the period beginning January 30, 1989; applications that request one or more operating authorities are issued as one licence which includes any previously existing operating authorities.

n/a: not available

Source: Information provided by provincial and territorial licensing authorities.

In the truckload sector, expansion through acquisitions and mergers, and broader operating authorities were evident in virtually all regions and among a wide range of carriers. Carrier initiatives in this area were prompted by the need for improved balance in traffic flows through greater market coverage and increased market share.

These strategies have resulted in the formation of larger trucking firms and the demise of some carrier entities. However, there was no indication from shippers (using LTL and truckload services) that any significant deterioration of service was taking place in either the extra-provincial or international markets. Less than five per cent of shippers indicated that reduced entry controls had a negative effect on the availability of carriers or the level and quality of service in 1989. The broader more comprehensive networks, arising out of consolidations and other carrier initiatives, provided shippers with logistical and administrative efficiencies. However, some shippers have noted the potential, in the long term, for less competitive service should the tendency towards increased consolidations become more pronounced.

From a carrier perspective, the sustained level of activity in mergers and acquisitions throughout the industry has resulted in the consolidation of some carrier entities; however, this does not appear to have significantly curtailed overall operations. Still, a general slowdown in the economy coupled with higher interest rates and overcapacity in the trucking industry resulted in a reduced level of demand for new equipment. Conforming to the trend in the United States, Canadian sales of new Class 8 vehicles dropped five per cent in 1989 after posting a 10 per cent increase a year earlier.

The structural changes observed reflect responses to overcapacity and organizational inefficiencies. Despite a general perception within the industry that mergers are likely to continue in coming years, most truckload segments were considered too diverse and competitive for any carrier to exert controlling pressure on operating conditions. In the LTL sector, the impact of increased concentration among the major carriers was offset by an expansion in operating authorities.

Structural Shifts

Broader entry into domestic and transborder markets allowed carriers more balanced traffic flows.

Carrier strategies, in adjusting to more competitive market conditions, have resulted in changes to route patterns and rate structures.

Rate structures in the trucking industry have traditionally been based on "headhaul" traffic, or traffic which by its nature generates a primary demand for trucking services. (Ontario westbound freight would be considered headhaul with return commodity loads generally considered "backhaul"). Because capacity exceeds demand in a backhaul situation, rates have generally been much lower.

The level of new entrants and expansion in the operations of existing carriers has kept the backhaul requirements of carriers strong -- a situation which has benefitted shippers.

The need for balanced payloads to compensate for more competitive rates, coupled with the flexibility provided by broader operating authorities, has led carriers to implement triangular route structures; this involves the coordination of domestic and transborder movements. Through triangulation, carriers are reducing their dependence on low backhaul rates as they seek to position themselves to be, as much as possible, in a headhaul situation.

In transborder trucking operations, reduced entry controls have resulted in increased market penetration by U.S. truckload carriers (particularly in the Ontario and Quebec markets). At the same time, Canadian carriers have expanded their operations in the United States. Canadian carriers have adopted this strategy in response to a number of factors, namely:

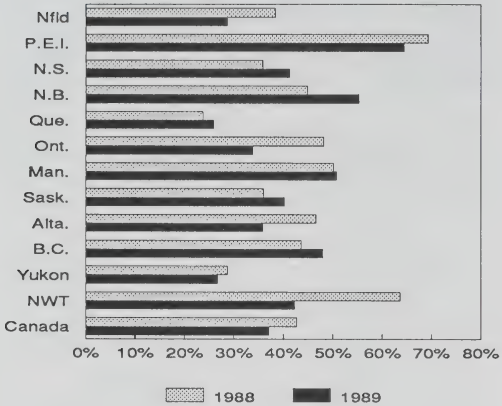
- increased scope for north/south flows arising from Canada-U.S. Free Trade Agreement;
- continental orientation of some major Canadian firms;
- the need to balance loads in transborder movements;
- cost differentials, including taxation differences.

Owner/Operators

The level of utilization of owner/operators among carriers appears to be levelling off.

The tendency towards increased usage of owner/operators which emerged over the last decade appears to be stabilizing. Of total distances travelled (by owner/operators and company drivers) during a six month period in 1989, owner/operators accounted for 37 per cent, down from close to 43 per cent in the corresponding period a year earlier. On a regional basis, the most notable decreases occurred among carriers based in Ontario and Alberta (Figure 5.1).

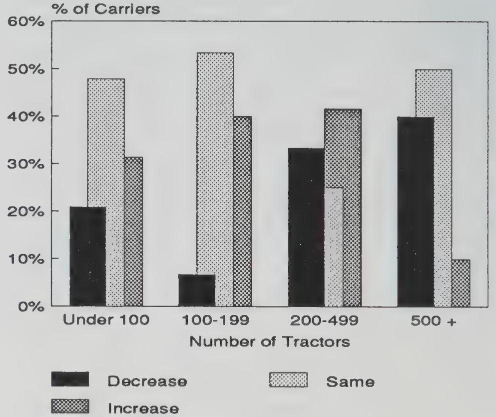
FIGURE 5.1: OWNER/OPERATOR SHARE OF TOTAL DISTANCES TRAVELLED 1988* VERSUS 1989*



* For period April-September

Source: Statistics Canada

FIGURE 5.2: CARRIER UTILIZATION OF OWNER/OPERATORS - BY SIZE GROUP 1989 VERSUS 1988



Source: NTA Carrier Review

Some of the changes in the provincial distributions, however, result from changes in the province of domicile of the carrier following mergers or acquisitions.

Nearly one-quarter of the carriers consulted for the 1989 Review indicated that they were using fewer owner/operators than in 1988. Among the larger carriers (operating over 500 tractors), only one of the 10 carriers consulted indicated increased usage of owner/operators while four carriers reported lower numbers of owner/operators (Figure 5.2).

Carriers cited the need for increased flexibility over equipment allocation, scheduling and productivity initiatives as factors for shifts towards company drivers. In other cases, lower usage of owner/operators reflects the carrier's rationalization program.

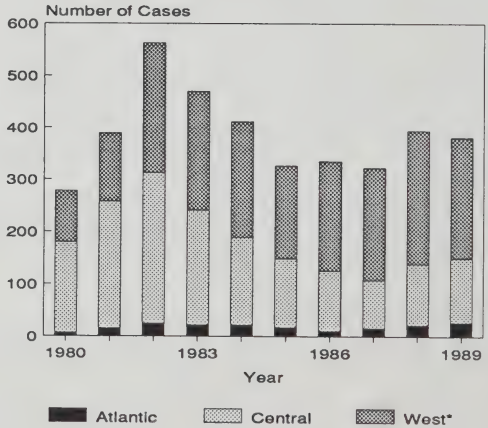
Market Exit

The number of reported bankruptcies was slightly lower in 1989.

The level and nature of bankruptcies in the Canadian trucking industry in 1989 did not differ significantly from the situation in recent years. The vast majority of bankruptcies occurred in small enterprises operating local transportation services outside the scope of the regulatory reforms prescribed by the *MVTA*.

The number of business bankruptcies reported in trucking totalled 381 cases in 1989, down slightly from 394 cases a year earlier (Figure 5.3).

FIGURE 5.3: NUMBER OF CASES OF BUSINESS BANKRUPTCIES REPORTED FOR TRUCKING 1980 - 1989



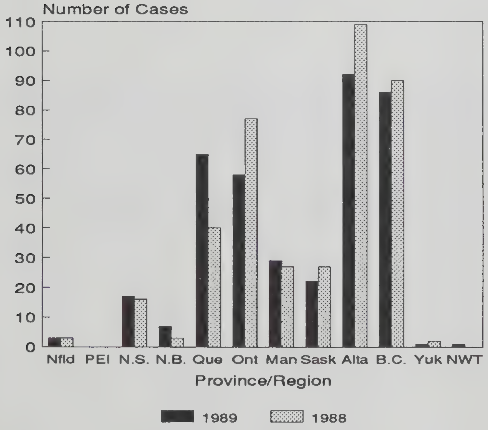
* Includes Yukon and N.W.T

Source: Consumer and Corporate Affairs Canada

Liabilities of trucking firms reported bankrupt in 1989 amounted to $55.5 million compared with $37.9 million in 1988. Consistent with the pattern of previous years, about 90 per cent of the bankrupt firms reported liabilities of less than $200,000. Five firms reported liabilities of over $1 million, the largest of which was an Ontario-based general freight carrier. Two of the firms were based in Quebec, two in Ontario and one in British Columbia. Together these firms accounted for about one-third of total liabilities.

On a regional basis, Ontario and Alberta showed notable decreases in the number of bankruptcies over 1988 while New Brunswick and Quebec registered increases (Figure 5.4).

FIGURE 5.4: NUMBER OF CASES OF BUSINESS BANKRUPTCIES REPORTED FOR TRUCKING 1989 VERSUS 1988



Source: Consumer and Corporate Affairs Canada

It should be noted though that the number of bankruptcies reported may be an incomplete measure of the nature and scope of market exit in the industry.

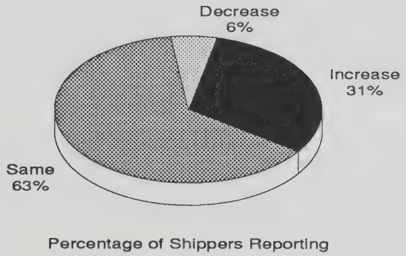
Other forms of "market exit", which may be less subject to official reporting, also have an impact on the number of carriers operating in the market place; included in this category are liquidations, firms in receivership, and operational adjustments (such as shifts to the United States).

COMPETITION

Shippers continued to benefit from a strong competitive environment in 1989.

Close to one-third of shippers in markets covered by extra-provincial carrier services reported an increase in the number of trucking firms competing for their traffic. Alternatively, about 63 per cent of shippers indicated little or no change in the level of competition, while six per cent noted decreases (Figure 5.5). Generally, changes in the provision of service were related to the level of economic activity and demand, degree of overcapacity, entry in the trucking industry, and carrier rationalization and consolidations.

FIGURE 5.5: CHANGE IN LEVEL OF COMPETITION

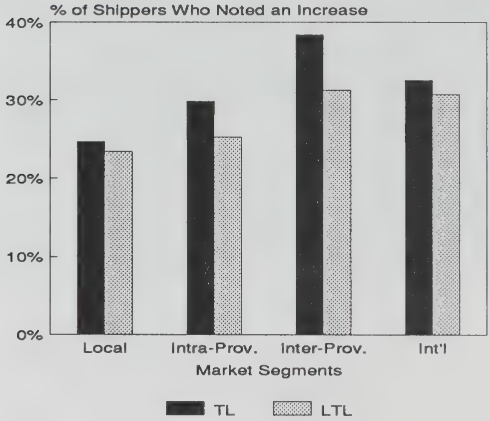


All Trucking Services excl. Local

Source: NTA Shippers' Survey

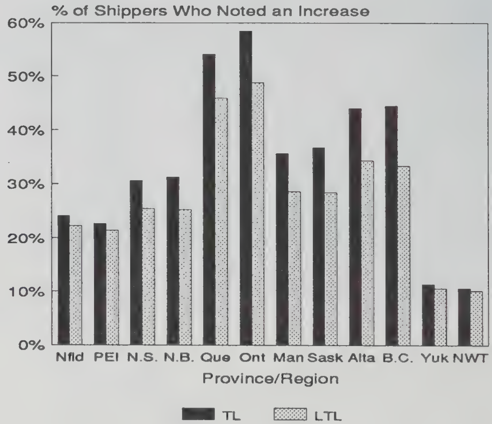
It is in inter-provincial truckload services that the proportion of shippers reporting increases in the number of competing carriers was highest (38 per cent) followed by international services with 32 per cent. A greater proportion of shippers reported increases in the level of competition in the truckload than in the LTL sector (Figure 5.6).

FIGURE 5.6: CARRIERS COMPETING FOR SHIPPERS' TRAFFIC



Source: NTA Shippers' Survey

FIGURE 5.7: LEVEL OF COMPETITION INTER-PROVINCIAL SERVICES



Source: NTA Shippers' Survey

Domestic

Faced with increasing competition in main corridors, regional and national carriers have expanded into lower density markets.

On a regional basis, the degree of competition in truckload services was more pronounced in central Canada, where a majority of shippers in both Ontario and Quebec reported increases in the number of available carriers (Figure 5.7).

The proportion of shippers reporting increased competition was also very strong in Alberta and British Columbia (at about 45 per cent). Slightly more than one-third of shippers in Manitoba and Saskatchewan indicated more carriers were competing for their traffic. The relatively lower degree of competition in the Atlantic region reflects widespread acquisitions and consolidations coupled with sluggish demand for transport services in the fish products industry.

There was a sustained level of expansion by established carriers from other regions into Quebec in both the truckload and LTL sectors, including courier and small parcel services. The resumption of full-scale licensing operations by provincial authorities in Ontario in early 1989 resulted in new entry and expanded operations by established domestic and U.S. carriers. In Western Canada, competition was particularly strong on the Calgary-Vancouver corridor.

TRUCK/RAIL COMPETITION: THE TRUCKING PERSPECTIVE

Regarding claims by the railways of policy inequalities between truck and rail, the trucking industry maintains that:

- **trucks pay their fair share of road costs, particularly on major inter-city highways in markets where truck and rail compete;**
- **the railways' financial problems are not due to alleged unfair competition from trucking but rather to regulatory constraints on railways;**
- **increasing market share of trucking is due largely to service requirements and shippers' preferences;**
- **restrictive weights and dimensions for trucking would create unwarranted market inefficiencies with no safety advantages;**
- **overall taxation policies more compatible with the United States would alleviate financial pressure on both the trucking and railway modes in Canada.**

Carriers noted that while new entrants in the LTL sector were few and that some of the major carriers were implementing substantial rationalization and consolidation programs, the territorial expansion of regionally-based carriers continued to provide an effective degree of competition in most areas, compatible with the service requirements of shippers.

In both truckload and LTL services, regional and national carriers, faced with increasing competition and limited growth potential in traditional domestic markets, particularly on main corridors, have begun to operate in lower density, less mainstream markets. An emerging source of competition for carriers in long-haul markets is the introduction of new intermodal services by the railways in the form of double-stack container trains.

On the demand side, these developments are underscored by an increasing use of "core carrier" strategy by shippers, whereby large portions of a shipper's traffic are allocated to fewer carriers operating broader networks and offering comprehensive services.

The loss of traffic in the transborder market has also prompted some Ontario-based carriers to expand into areas previously served by more locally-based carriers.

Transborder

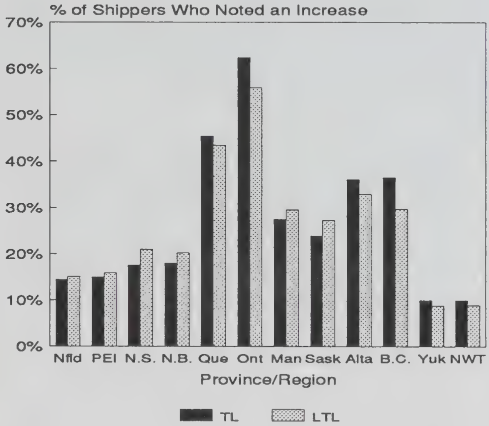
There was strong penetration by U.S.-based carriers in key transborder markets. Ontario-based carriers continued to shift truckload operations to the United States.

The level of competition in the transborder sector shows considerable variations by region, consistent with the importance of regional transborder trade flows.

In 1989, the highest proportions of shippers reporting increased competition are found in the largest transborder markets: Ontario, Quebec, British Columbia and Alberta, which together accounted for over 94 per cent of total import and export trade in value terms. In Ontario, two-thirds of the shippers indicated that the number of carriers competing for their truckload traffic increased in 1989; similarly, Ontario reported the highest level of competition in LTL services (Figure 5.8).

In the Atlantic region, while there were few new entrants in the transborder sector, rate competition intensified particularly towards the latter part of 1989 due to lower volumes of traffic in food products.

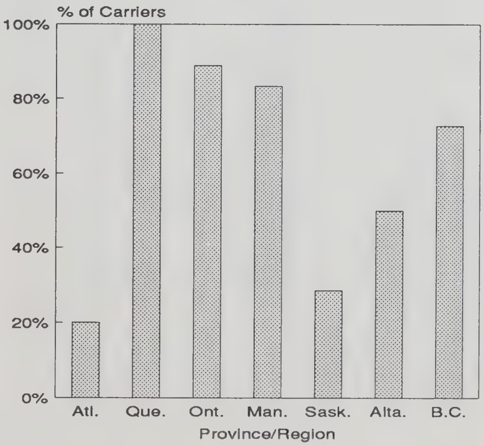
FIGURE 5.8: LEVEL OF COMPETITION INTERNATIONAL SERVICES



Source: NTA Shippers' Survey

The transborder sector was subject to entry by U.S.-based carriers. A majority of carriers, operating transborder services, who were consulted for the 1989 Annual Review in Quebec, Ontario, Manitoba and British Columbia, indicated increased competition from U.S.-based carriers (Figure 5.9).

FIGURE 5.9: CARRIERS WHO INDICATED INCREASED COMPETITION FROM U.S. CARRIERS IN TRANSBORDER ACTIVITIES



Source: NTA Carrier Review

Representing the major part of the national transborder market in close proximity to major U.S. centres, Ontario experienced a high influx of new U.S. entrants, including large American carriers.

In addition to the size of the market, a number of factors underlie the strong entry by U.S. carriers, particularly in central Canada:

(1) Large U.S. carriers are being pressured in long-haul markets by intermodal initiatives of U.S. railways (such as double-stack container trains running from the West coast to the mid-West); as a result, these carriers have turned to short-haul and regional (including transborder) markets to compensate for lower volumes in long-haul traffic.

(2) Both Canadian and U.S. trucking firms are positioning themselves to take advantage of increases in transborder traffic flows which are expected to be generated as manufacturers and producers adjust to the provisions of the Canada-U.S. Free Trade Agreement.

(3) The relative proximity to the U.S. of a major portion of the Canadian general freight market (mainly in southern Ontario and Quebec) allows U.S. carriers to operate transborder services largely as an extension of broader domestic networks.

(4) The rise of the Canadian dollar in the last three years, relative to the U.S. currency, made the use of U.S.-based carriers a more attractive option for Canadian shippers moving southbound freight. At the same time, the rate of exchange would be disadvantageous to Canadian-based carriers soliciting U.S. freight. Compared to 1987, the value of U.S. revenues derived from transborder operations, other factors being equal, would be almost 10 per cent lower for a Canadian-based carrier in 1989.

Canadian carriers, principally Ontario and Quebec-based, faced strong price competition from large scale U.S. carriers, particularly on volume shipments in auto parts and newsprint. Shippers appear to be clearly benefitting from increased competition, with rate differentials between U.S. and Canadian carriers in the order of 10 to 20 per cent. Losses in market share and consequent reductions in operations were reported by Canadian carriers in 1989, raising questions regarding the competitive viability of Canadian carriers in transborder operations.

The trucking industry has identified a number of factors which may contribute to a competitive imbalance between Canadian and U.S. carriers in transborder activities. These imbalances relate mainly to cost structure and operating logistics.

In the U.S., a more accelerated depreciation schedule on equipment is permitted, both for tractors and trailers. While some Canadian carriers have indicated that the Canadian schedule allows some flexibility regarding tax liability not provided for in the U.S. schedule, the overall assessment of carriers is that the U.S. depreciation rates are more advantageous from a cash-flow perspective. Additionally, the corporate tax rate is considered to be lower in the United States.

Labour costs are also perceived to be lower, though these may vary according to region, driver/owner-operator mix, and length of haul. The cost of equipment is estimated to average about 10 per cent less in the United States.

Finally, the logistics of transborder operations in the key central markets are such that a U.S. carrier can effectively offer lower long-haul rates for what may be essentially short-haul routes, by integrating the transborder portion as part of a broader domestic route structure.

The Canadian-based carrier, however, is faced with logistical and marketing obstacles in attempting to penetrate broadly into the United States. Long distance penetration significantly increases the potential for empty or uneconomic miles on the return or backhaul portion. While some Canadian carriers have taken measures to counteract this problem by establishing bases of operation in the U.S., entering into feeder arrangements with U.S. carriers, and using freight brokers, the Canadian-based transborder carrier typically operates in the higher cost structure associated with short-haul markets.

It is difficult to provide a precise measure of the overall impact of these factors on the operating cost structure (as these will vary by size of carrier and market segment). Yet carriers indicated that the lower bid quotes in 1989 by U.S. carriers are indicative of operating cost differentials.

As a result of these factors, a number of Ontario-based carriers have shifted at least part of their operations to bordering U.S. states to take advantage of some of the cost differential. Of carriers consulted for the 1989 Review, the vast majority of Canadian-based carriers operating in the Ontario transborder market indicated that they had undertaken or considered moves to the United States.

Private Carriers

Competition from private carriers in for-hire activities was stable.

Private carriers are primarily involved in the transport of their own goods (as in the case of a manufacturer or retailer). However, a number of private carriers have also obtained a licence to offer services on a for-hire basis.

About one-quarter of carriers consulted for the 1989 Review indicated increased competition from the for-hire activities of private carriers, though less than one-half of this group experienced any loss of traffic. For-hire carriers indicated that competition from private carriers derives mainly from the latter's requirement for return loads, mostly in general freight and particularly in the food products and retail sectors. To the extent that freight is appropriated by private carriers, payloads and rate levels of for-hire carriers are affected particularly in lower density and more remote areas.

Carriers have noted that some large shippers are reducing their involvement in trucking activities, typically in sectors where safety and environmental factors prevail such as liquid bulk. Overall among carriers, there were increased expectations for shifts away from private trucking given the level of competition and service availability in for-hire services as well as the more comprehensive enforcement of the safety provisions of federal and provincial transport legislation.

Nevertheless, the use of the services of private carriers was fairly widespread during 1989. Over 40 per cent of shippers using truck services to handle all or part of their traffic reported using private carriers in 1989, roughly the same proportion as in 1988. About one-quarter of shippers with a fleet of owned or leased equipment indicated an increase in fleet size in 1989, while eight per cent reported a reduction in fleet size. Close to one-half of private carriers possessed an extra-provincial operating authority in 1989.

TRUCKING OPERATIONS

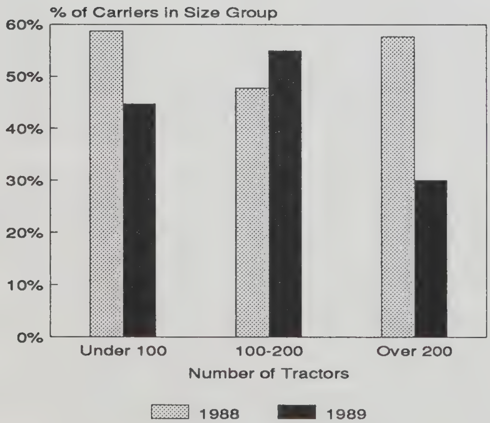
Traffic

A majority of shippers and carriers reported moderate increases or stable demand for trucking services in 1989.

The shippers' survey indicated that user demand for trucking services increased on average by close to four per cent. While a majority of shippers indicated that their level of demand for trucking services did not change significantly in 1989, close to one in four shippers reported that their use of trucking services had increased, in many cases by more than 10 per cent. These changes stemmed from market conditions, availability of service, and modal shifts. Alternatively, truck use decreased for about five per cent of shippers.

Of the carriers consulted in 1989, close to one-half of those providing truckload services reported that the volume of shipments had increased at least five per cent over 1988. Less than one-third of carriers experienced a decrease in traffic. In terms of size, proportionally more smaller and medium-size carriers showed gains in traffic than did larger carriers (Figure 5.10). As well, fewer larger carriers reported increases in traffic in 1989 than in 1988.

FIGURE 5.10: TL CARRIERS REPORTING TRAFFIC GAINS, BY SIZE OF FLEET 1988 VERSUS 1989



Source: NTA Carrier Review

Carriers' traffic gains are largely due to territorial and market expansions made possible by broader operating authorities. Traffic gains reflect carrier strategies to increase payloads, balance traffic flows and reduce empty miles. Increased market share was achieved mostly at the expense of other trucking firms, though in one-third of the cases, the source of gain was railway traffic. For a number of carriers, increased market share was attained through mergers and acquisitions.

In the LTL sector, slightly more than one-half of carriers registered increases of five per cent or more in volume of shipments; only one in eight LTL carriers consulted reported any significant decline in traffic. In most cases, decreases in traffic levels reflect internal rationalization of operations. Gains result largely from increased market coverage and consolidations.

A number of carriers indicated little or no change in volume of shipments. The overall balance in traffic for these carriers reflects the result of losses in traditional markets offset by gains in new markets or areas through the broader provision of direct services. Regionally-based carriers lost some interline traffic as a result of increased provision of direct services by domestic carriers exercising broader operating authorities. For shippers, direct services mean less handling of freight and reduced transit times.

Increased entry by U.S.-based carriers, particularly in Ontario, resulted in the loss of previously interlined traffic. In other regions (such as Quebec and the Atlantic provinces), interline arrangements continue as a viable option.

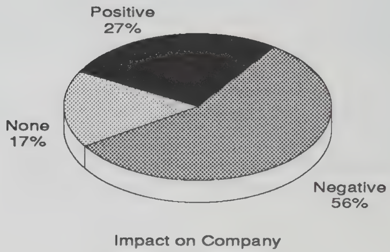
Impact

Regulatory reforms allowed carriers a broader, more flexible scope of operations; concerns were expressed about uniform implementation of the National Safety Code.

In assessing the impact of reduced entry controls (in respect to factors such as availability of carriers, rates, and quality of service), shippers' reactions were generally favourable.

Following a similar pattern as last year, less than one-third of carriers considered the impact of regulatory reforms on their operations as positive (Figure 5.11). A slightly lower proportion of carriers indicated that the impact of regulatory reforms had been positive in respect to the industry in general.

FIGURE 5.11: IMPACT OF REGULATORY REFORM CARRIERS' ASSESSMENT



Source: NTA Carrier Review

Except for Manitoba's more restrictive interpretation of the legislation (and consequent processing delays), the entry process ceased to be a contentious issue in 1989.

Carriers indicated that reduced entry controls resulted in an environment more suitable to market forces and more conducive to improved productivity. Broader scopes of operations allowed for better balancing of traffic flows and consequently increased operational efficiency. In the short term, carriers perceived benefits from expanded markets, more flexibility, and less regulatory interference; in the long term, a stable environment was contingent upon uniform implementation of the National Safety Code (NSC) across jurisdictions and equitable enforcement among carriers. Carriers expressed concern that the potential for improvements and efficiencies inherent in the federal legislation was not materializing due to the uneven implementation of the NSC. Underlying the carriers' negative assessments of the impact of regulatory reforms to date were the effects of widespread overcapacity and increased competition.

Concerns were also expressed by owner/operators regarding the impact on their financial viability of the sustained degree of rate competition among carriers. According to the results of a limited survey of members of a national owner/operator association, over one-half of the owner/operators received lower rates for line-haul transport in 1989 than they did in 1988. Forty per cent of the owner/operators reported that

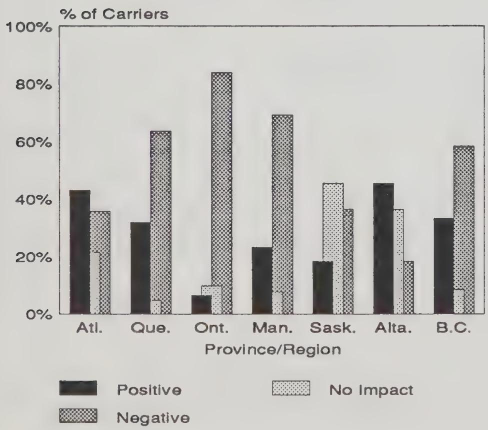
their rates had remained about the same, despite increasing costs, while five per cent of the respondents indicated that rates had risen in 1989.

On a regional basis, the majority of carriers consulted in the Atlantic provinces, in Saskatchewan, and in Alberta indicated that regulatory reforms were either positive or had no detrimental consequences on their operations or the industry in general (Figure 5.12). In contrast, Ontario-based carriers were mostly negative in their assessments: their views reflecting increased entry of extra-provincial carriers, significant market penetration by U.S.-based carriers in the transborder truckload sector and increased intra-provincial competition under new provincial legislation.

In terms of size, there was a greater tendency among smaller carriers to consider the impact of regulatory reforms as positive, due mostly to expanded market opportunities.

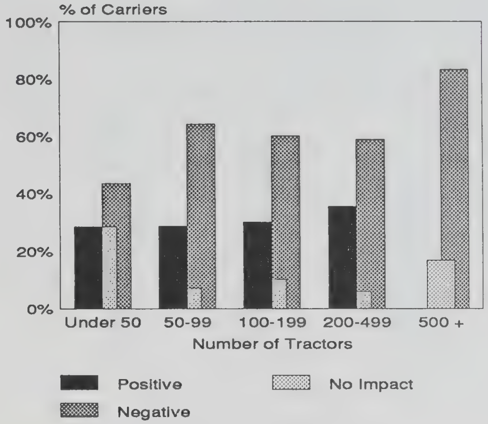
All of the major carriers (i.e. those operating more than 500 tractors) viewed the impact of regulatory reforms on the industry as negative (Figure 5.13). Being more broadly-based, these larger carriers had more at stake in jurisdictional differences in the implementation and enforcement of the NSC. And while a significant number of these carriers were actively pursuing acquisitions and expansionary programs, they were also subject to market share erosion from domestic and international competitors.

FIGURE 5.12: IMPACT OF REGULATORY REFORM ON COMPANY - CARRIERS' ASSESSMENT BY PROVINCE/REGION



Source: NTA Carrier Review

FIGURE 5.13: IMPACT OF REGULATORY REFORM ON COMPANY - CARRIERS' ASSESSMENT BY FLEET SIZE



Source: NTA Carrier Review

Rates

Truckload

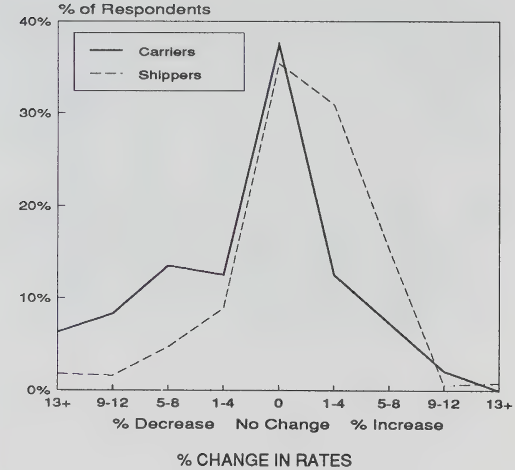
Despite continued downward pressure, truckload rates were generally more stable in 1989.

About one-half of the carriers consulted in 1989 reported decreases in average unit revenue, though in some cases rate changes were due to shifts in traffic patterns and markets. In some highly competitive markets, lower rates were offset by higher payloads through better balancing of flows and triangulation of routes. Improved cost controls and pricing techniques were also implemented.

Overall, the distribution of rate changes reported by carriers corresponds closely to that reported by shippers (Figure 5.14).

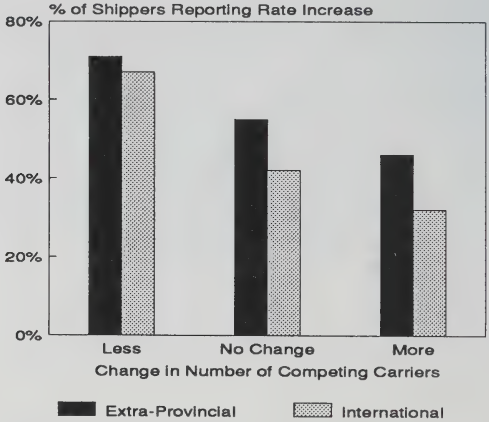
Though rate trends reflect a blend of factors (payload levels, balanced flows, distance mixes), rates appeared to be relatively more volatile in the general freight sector in comparison with specialized services such as liquid bulk. Ontario and Quebec carriers also reported strong rate competition from U.S. carriers in transborder truckload services.

FIGURE 5.14: DISTRIBUTION OF TL RATE CHANGES 1989/88 AS REPORTED BY CARRIERS AND SHIPPERS



Sources: NTA Shippers' Survey and Carrier Review

FIGURE 5.15: IMPACT OF LEVEL OF COMPETITION ON TRUCKLOAD RATES



Source: NTA Shippers' Survey

As expected, the level of competition emerges as a key element in rate patterns across virtually all regions. Where there were fewer carriers competing for traffic, 70 per cent of shippers reported increases in extra-provincial truckload rates compared to 45 per cent of shippers under conditions of increased competition. In international services, 65 per cent of shippers reported rate increases where there were fewer carriers competing, while only 35 per cent noted rate increases under more competitive conditions (Figure 5.15).

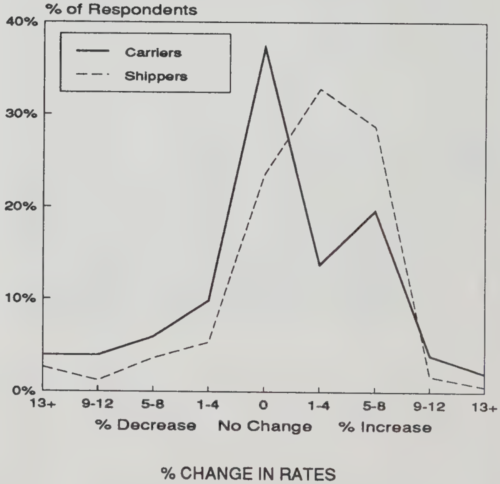
Less-than-truckload

Most shippers and carriers reported moderate increases in LTL rates.

LTL rates were relatively stable given significant rationalization and the low level of new entry in this sector; overall increases, in effective rate levels, were in the order of four per cent to eight per cent. Tariff-based rates continued to be subject to strong discounts, particularly in international lanes (Figure 5.16).

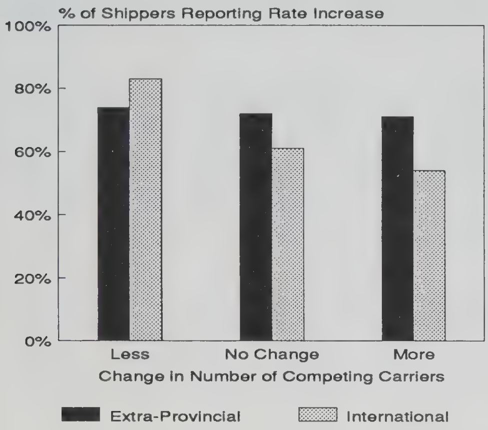
The shippers' survey showed rate movement in LTL to be less affected by the level of competition than the truckload sector. For extra-provincial domestic LTL traffic, the percentage of shippers reporting increases in rates was virtually identical regardless of whether there were more or fewer carriers competing for traffic

FIGURE 5.16: DISTRIBUTION OF LTL RATE CHANGES 1989/88 AS REPORTED BY CARRIERS AND SHIPPERS



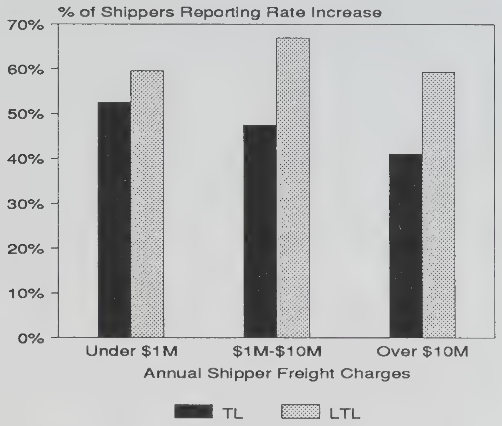
Sources: NTA Shippers' Survey and Carrier Review

FIGURE 5.17: IMPACT OF LEVEL OF COMPETITION ON LESS-THAN-TRUCKLOAD RATES



Source: NTA Shippers' Survey

FIGURE 5.18: RATE IMPACT BY SHIPPER SIZE



Source: NTA Shippers' Survey

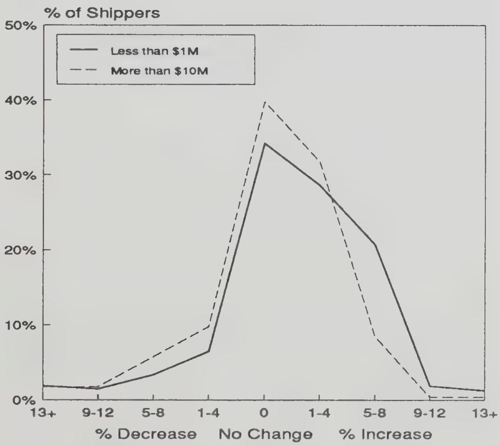
than in the previous year. Only in the international market was there a noticeably lower proportion of shippers reporting rate increases under conditions of greater competition (Figure 5.17).

Rates and Shippers' Size

Reported rate changes did not vary significantly for shippers of different sizes.

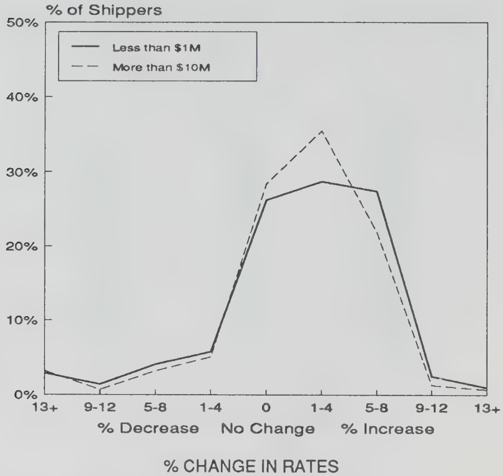
In truckload markets, the proportion of larger shippers (i.e. those with annual freight charges greater than $10 million) reporting rate increases was somewhat less than the one noted for smaller or medium size shippers (Figure 5.18). In LTL markets, no significant difference emerged in the rate trend among shippers of varying size as roughly the same proportion reported rate increases. Overall, the magnitude of rate changes showed little relationship to the size of the shipper in either the truckload or the LTL markets (Figures 5.19 & 5.20).

FIGURE 5.19: TL RATE CHANGES REPORTED BY SMALL AND LARGE SHIPPERS



Source: NTA Shippers' Survey

FIGURE 5.20: LTL RATE CHANGES REPORTED BY SMALL AND LARGE SHIPPERS



Source: NTA Shippers' Survey

Carrier-Shipper Relations

Rates continued to dominate carrier/shipper relations though there was increased emphasis on service-related factors.

In truckload and LTL services, carriers' reactions to price competition were more tempered in 1989. Carriers contend that, with efficiency gains reaching threshold levels, they must pursue pricing policies geared to meeting long-term costs, including capital requirements for more productive equipment and adherence to safety standards. And while shipper expectations continue to be largely price-oriented, increasing consideration is being placed on service factors and broader issues such as safety and stability of the trucking industry.

PRINCIPAL ELEMENTS OF CARRIER/SHIPPER RELATIONS

- **Price**
- **Use of tender bids**
- **Just-in-time delivery**
- **Equipment**
- **Shipment tracing**
- **Market coverge**
- **Safety rating/measures**
- **Damage control/liability**
- **Environmental impact**

Carriers and shippers reported an increased tendency to use a tender-bid system, particularly in respect to transport requirements with relatively fixed parameters (such as quantities or delivery patterns). Shippers have pointed to tangible benefits in the use of this approach.

In reacting to proposed rate increases, over 60 per cent of shippers reported that they were successful in reducing or eliminating an increase either through negotiation or by switching to another carrier. Other shippers either absorbed the increase or adjusted the price of their goods accordingly; less than three per cent switched to another mode in reaction to a rate increase.

About 40 per cent of shippers indicated that they used freight broker services; a significant portion of these shippers had increased their usage of broker services during 1989. There were no significant differences in degree of usage of brokers according to size of shipper.

Overall, carriers were of the opinion that broker usage was increasing in the industry, particularly as a result of recent new carrier entrants. Among carriers consulted for the 1989 Review, freight brokers were used largely for securing return loads in the U.S. Some carriers advocated controls on broker activities (e.g. bonding requirements) to ensure financial security in carrier-broker dealings.

Equipment considerations are key from both a carrier and shipper perspective. Because of the potential for direct productivity gains, there is a strong carrier incentive to operate the most efficient equipment, consistent with shipper requirements. In 1989, 84 per cent of carriers consulted indicated that they had acquired new equipment mainly for replacement purposes. The decision by the Ontario government to allow longer tractor-trailer configurations was generally perceived within the industry as a way to provide for greater uniformity among jurisdictions as well as increased flexibility of operation in domestic and transborder markets. From the shippers' perspective, the larger capacity available on a truckload movement (with either twin trailers or 53-ft trailers) would lower unit freight costs.

In expanding market coverage, carriers are in a better position to solicit a larger proportion of a shipper's traffic. At the same time, shippers are seeking to improve efficiency and reduce administrative costs by dealing with a more limited number of carriers than in the past. Also more prevalent are carrier initiatives in providing a broader scope of "value added services" such as computerized tracking, warehousing, brokerage, and systems logistics. And while close carrier/shipper collaboration has existed in the high

service and specialty commodity segments (such as liquid bulk/chemicals), joint carrier/shipper endeavours have emerged in other segments to address questions of liability, safety, environmental impact and industry conditions.

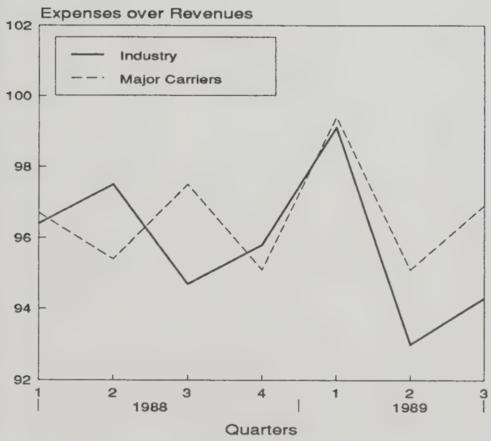
CARRIER PERFORMANCE

Financial indicators for the first nine months of 1989 point to a marginal improvement in carrier performance.

The performance of the trucking industry was slightly better for the first nine months of 1989 compared to a year earlier. The operating ratio (operating expenses over operating revenues expressed as a percentage) of for-hire carriers for the first nine months of 1989 was 95.5 compared to 96.2 for the corresponding period in 1988. There were, however, indications that poorer results in the fourth quarter of 1989 would erode these gains.

Quarterly fluctuations in the performance of carriers are quite pronounced, with the composite operating ratio ranging from a high of 99.1 in the first quarter to a low of 93.0 in the second. Differences among carriers in the reporting and allocation of some annual costs, however, may account for some of the quarterly fluctuations (Figure 5.21).

FIGURE 5.21: OPERATING RATIOS



Source: Statistics Canada

Of the carriers interviewed for the 1989 Review, about 60 per cent indicated that their financial situation had improved or remained stable in 1989. Improved performance was due largely to increased efficiencies in equipment utilization and operations, improved cost controls and pricing strategies, rationalization of operations and, in some cases, slightly better rates. Territorial expansions resulted in better traffic balances; reduction of empty miles was key to stable or improved margins for a number of general freight carriers. The rationalization and restructuring of operations was reflected positively on the income statement of some carriers, while others were still absorbing costs associated with mergers, acquisitions and expansions.

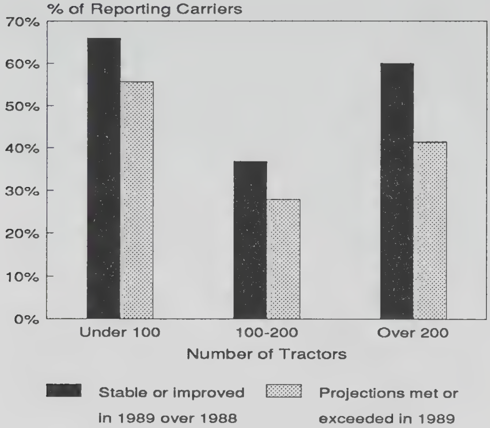
Based on interview results, there appears to be an increasing reluctance for carriers to "get traffic at any cost"; despite the more competitive situation in the industry, carriers are less inclined to provide service at non-compensatory rates given diminished prospects for cross-subsidization with more profitable payloads. Capital requirements for new equipment also exert increasing pressure for an improved rate of return.

As a group, medium-sized carriers (i.e. those operating between 100 and 200 tractors) appear to have fared less well than smaller or larger carriers in adapting to changing conditions in the industry. While more than 60 per cent of the medium-sized carriers consulted reported a deterioration in their financial condition in 1989, less than 40 per cent of the smaller and larger carriers experienced a similar situation. At the same time, less than one-third of the medium-sized carriers indicated that they had met or exceeded their current year financial projections for 1989 (Figure 5.22).

Among the carriers consulted, there was little difference in the overall assessment of financial situation by type of operation. Regionally, however, the proportion of carriers reporting some deterioration in their respective financial condition was most pronounced in Ontario and Quebec, where about one-half of the carriers consulted indicated that their financial situation had worsened in 1989. Carriers operating transborder services noted that some losses were incurred in the latter part of 1989 due to highly competitive pricing by U.S.-based carriers, but that the impact would not be fully reflected until 1990.

The performance of the 40 largest carriers in Canada, including 27 general freight carriers, though consistent with the overall trend, is slightly below that of the industry as a whole; in the aggregate, the operating ratio of the large carriers averages about 1.5 points above the industry composite in 1989. This reflects the

FIGURE 5.22: FINANCIAL SITUATION - 1989
BY CARRIER SIZE



Source: NTA Carrier Review

tighter margins inherent in the more competitive markets served by these larger carriers.

In comparing recent Canadian and U.S. results, the performance of the 40 major Canadian carriers and the top 100 U.S. carriers both registered a slight deterioration. Nevertheless, the operating ratio of the top U.S. carriers is still slightly more favourable than that of the major Canadian carriers (Table 5.2).

TABLE 5.2
Financial Performance: Canada/U.S. Comparison
Operating Ratio/Revenues 9 Months, 1988, 1989

	1988	1989		
			REVENUE	
	O/R*	O/R*	(billion $)	% of Industry Total
Canada 40 Major Carriers	96.5	97.1	$ 2.3	32%
U.S. Top 100	95.0	95.7	$14.9	30% **

* Operating Ratio

** Based on total trucking revenues of ICC-regulated carriers (Class I, II, III).

Sources: Statistics Canada, U.S. Interstate Commerce Commission, American Trucking Association

MARINE SERVICES

CANADIAN INTERNATIONAL LINER TRADE

HIGHLIGHTS OF 1989

SCEA Had Little or No Impact

"Little or no effect" was again the consensus among Canadian shippers, international freight forwarders, and shipping conferences in describing the impact of the *Shipping Conferences Exemption Act, 1987 (SCEA)* on their respective operations in 1989. Shippers and forwarders expressed disappointment that the legislation had still not improved their bargaining position with conferences. Conferences were also dissatisfied with some aspects of the legislation.

A Dearth of Service Contracts in Effect

Service contracts, as a potential pricing option available to Canadian shippers, moved closer to extinction in 1989. Although two more conferences employed service contracts in 1989 than in 1988, only five in total were filed with the Agency. The meagre number of filings appeared to be a function of trends in freight rates in Canadian liner trade, the reliance of a large number of Canadian shippers on freight forwarders for transportation arrangements, shippers' unfamiliarity with available rate options, and prevailing policies of conferences serving Canada regarding the use of service contracts.

Little Change in the Impact of Independent Action From Previous Year

The use of independent action (I/A) did not significantly increase in 1989. With the exception of the Transpacific route where I/A has been used extensively, this *SCEA* provision has met with only limited use on other liner trade routes and has not, as expected, emerged as a generally effective mechanism for increasing price competition among member lines of conferences or as a rate option readily available to Canadian shippers.

Shippers and Forwarders still Unfamiliar with *SCEA*

Canadian shippers and freight forwarders showed no improvement in their knowledge of the provisions and objectives of *SCEA*. The Agency's annual surveys of these groups in 1989 revealed that over two-thirds of shippers and one-half of forwarders responding were still unfamiliar with the legislation.

Appearance of Discussion/Bridging Agreements in Canadian Liner Trade

Canadian liner trade saw the introduction of discussion and bridging agreements between conference lines and non-conference lines. Several agreements were filed in 1989.

Completion of FMC's Review of *U.S. Shipping Act of 1984*

The Federal Maritime Commission delivered its report on the five year review of its premiere shipping legislation to Congress in September 1989. The report's findings and any resulting amendments to the *U.S. Shipping Act of 1984* will undoubtedly have some implications for Canadian liner trade and may be a factor in the 1992 comprehensive review of *SCEA*, as some of the latter's provisions were modelled on the American legislation.

OOCL Leaves Transpacific Conferences

Orient Overseas Container Line (OOCL), one of the world's largest container lines, resigned from both the Transpacific Westbound Rate Agreement (TWRA) and the Asia North America Eastbound Rate Agreement (ANERA) in early 1989. OOCL continues to operate in this trade primarily as a non-conference carrier but remains a signatory to the Transpacific Stabilization Agreement.

Transpacific Stabilization Agreement Renewed

The Transpacific Stabilization Agreement (TSA), filed with the Agency in 1989, and to which most major conference and non-conference carriers in the Transpacific trade are signatories, has been renewed for 1990.

REGULATORY REFORM

Use of service contracts exempted under SCEA; conference member lines given mandatory right to take independent action.

On December 17, 1987 the federal government enacted the *Shipping Conferences Exemption Act, 1987 (SCEA)*. The primary objective of *SCEA* remains the same as that of its predecessor, the *Shipping Conferences Exemption Act, 1979*, namely, to exempt certain practices of shipping conferences serving Canada from the provisions of the *Competition Act*. Non-conference shipping lines do not fall within the scope of *SCEA*. The legislation also encourages transparency in conference operations in Canada by requiring conferences to file information concerning rates charged and conditions of service with the Agency .

As one of the requirements of *SCEA*, a conference must file its basic agreement with the Agency. The legislation expressly forbids conferences from collectively negotiating freight rates with inland carriers or engaging in predatory pricing.

The new Act introduced a number of features designed to clarify and narrow exemptions enjoyed by conferences, provided a more equitable balance between the interests of Canadian shippers and shipping conferences, and increased the scope for price competition among member lines of conferences. Major additions to *SCEA* included the mandatory right of member lines of conferences to take independent action and the treatment of the use of confidential service contracts by conferences or their member lines as an exempted practice. As a corollary to this exempted practice, conferences retained the right to establish terms and conditions associated with the use of service contracts. Another major revision to the legislation prohibits conferences from demanding a commitment of 100 per cent of a shipper's cargo under a loyalty contract. *SCEA* also provides mechanisms for investigating complaints involving conferences when practices they employ result, by a reduction in competition, in an unreasonable reduction in service or increase in transportation costs.

TERMS USED IN LINER TRADE

Conference

Group of ocean carriers providing liner services on common trade routes who collectively agree on rates and conditions of service.

Liner Service

Vessels operating on fixed itineraries and/or regular schedules on fixed trade routes. Liner services, which generally exclude the movement of bulk commodities, may be provided by conference or non-conference (independent) shipping lines.

Service Contract

Agreement by which a shipper commits a certain minimum volume of cargo over a fixed time period to (a) conference member line(s) in exchange for a rate lower than the standard conference rate and/or a defined service level.

Loyalty Contract

Agreements in which shippers obtain lower rates from members of a conference in exchange for committing all or a fixed proportion of their cargo to the conference's member lines.

Independent Action (I/A)

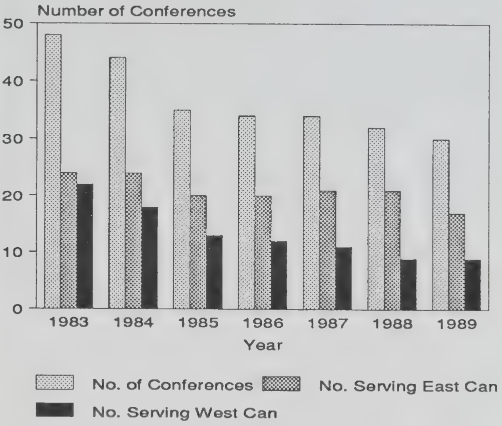
Action by a conference member line of setting a rate or service item different from the conference's existing tariff provisions. SCEA provides for the taking of I/A by any member line subject to informing the conference which cannot demand more than 15 days notice of the action.

INDUSTRY STRUCTURE

No change in the number of tariff filing conferences; discussion and bridging agreements filed with Agency for first time.

There was no change in the effective number of tariff filing conferences serving Canada in 1989. Figure 6.1 does show a decrease in tariff filing conferences from 32 in 1988 to 30 in 1989, but this is solely attributed to a change in the method of counting conferences. The

FIGURE 6.1: CONFERENCES SERVING CANADA AS OF DECEMBER 31 OF EACH YEAR



Source: NTA files

classification of the remaining three sections of the Inter-American Freight Conference into one accounted for the net loss of two conferences in 1989.

Canada's east coast saw its number of conference services reduced to 17 in 1989 from 21 in the previous year, while the number of conferences serving Canada's west coast remained steady at nine. Conferences serving both coasts in 1989 totalled four, up from two in the previous year. Of the 30 tariff filing conferences, 14 carried Canadian exports, 11 moved Canadian imports and five carried both import and export trade.

On major trade routes, the number of conferences serving Canada remained steady from 1988 to 1989.

Some 59 shipping lines were members of tariff filing conferences operating in Canadian liner trade in 1989, with 26 of these lines holding membership in more than one conference.

The Eastern Canada/Australia - New Zealand Conference (ECANZ) added two new member lines in September of 1989 and changed its name to the Canada/Australia-New Zealand Association of Carriers (CANZAC).

The Agency received and accepted for filing, for the first time in 1989, five agreements -- three discussion, one bridging, and one capacity reduction (see box on next page). These agreements, coupled with the 30

tariff filing conference agreements, and the one inter-conference agreement between outbound Canadian east and west coast conferences to Australia, brought the total number of *SCEA* related agreements on file to 36 in 1989.

Although international liner shipping remains dynamic, few significant changes in the number of conferences and their memberships occurred in Canadian liner trade in 1989.

CONFERENCE OPERATIONS

Importance of Conferences in Canadian Trade

Liner tonnage increased in 1988.

In terms of total freight tonnage carried, marine continues to be the single most important mode of transport in Canadian trade. Canadian shippers rely heavily on the marine mode as a key link in the international transportation chain enabling their exports to penetrate overseas markets, and assuring the timely delivery of products from abroad to Canadian importers.

DISCUSSION AND BRIDGING AGREEMENTS ACCEPTED FOR FILING UNDER *SCEA*

1989 saw the introduction of discussion and bridging agreements in Canadian trade. The Agency, as the administrator of SCEA, accepted the following agreements for filing:

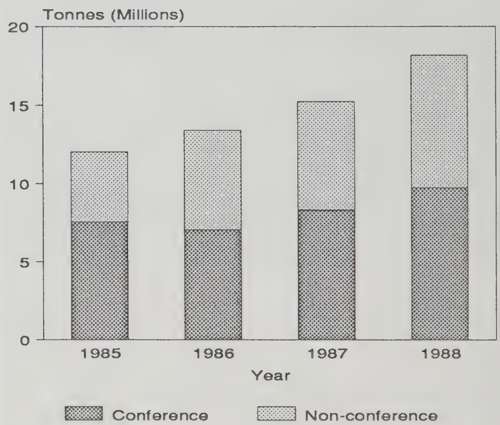
- **Transpacific Stabilization Agreement (TSA)**
- **Canada/Caribbean Shipowners' Association**
- **East Canada/Caribbean Discussion Agreement**
- **U.S./Middle East and Indian Subcontinent Discussion Agreement**
- **Caribbean Bridging Agreement**

The scope of these agreements between conference and non-conference shipping lines is varied. Most focus on general matters, such as the initiation of a dialogue, the discussion of trade conditions, service levels, and major events and their implications. However, the TSA is very specific, reducing the available carrying capacity on its trade route in an attempt to stabilize rates and improve profitabilty in the short-to-medium term.

Bulk shipments dominate Canadian trade, consistently accounting for the vast majority of tonnage moved in international waterborne commerce (over 200 million tonnes or 90 per cent of total tonnage). Although a much smaller component of total international waterborne trade, freight carried in Canadian liner services is nevertheless significant given its proportionately higher unit values (for example, containerized cargo).

Changes in tonnages moved in Canadian liner trade from 1985 through 1988 (the most recent figures available) are seen in Figure 6.2. Non-conference tonnages reported in the 1988 Annual Review have been adjusted to exclude forest products moved by specialized shipping lines as the services they provide do not fit the liner mold which includes the carriage of a variety of cargoes. This adjustment resulted in an increase in the proportion of liner tonnage moved by conferences for all years. Despite the change in the relative proportions, both conference and non-conference carriers experienced growth in cargo volumes in 1988.

FIGURE 6.2: CANADIAN INTERNATIONAL LINER TRADE



Source: NTA Liner Trade Data Base

Conferences continued to dominate the carriage of Canadian liner cargo to and from the Canadian east coast in 1988, accounting for some 62 per cent, while

a greater number of non-conference carriers moved 73 per cent of liner tonnage to and from the west coast. Conference cargo moving on the east coast is, however, overestimated to some extent, as large volumes of U.S.-originating-and-destined shipments are shipped via Montreal to and from overseas destinations. In contrast, liner cargo moving via Canada's west coast gateway is underestimated to some degree as a result of the diversion of this cargo to U.S. west coast ports for shipment overseas.

Service

Number of conference services to/from Canadian east and west coast ports increased while non-conference services decreased.

In keeping with the dynamic nature of the liner shipping industry, 1989 once again occasioned numerous adjustments to the number of conference and non-conference services as well as to frequencies and carrying capacities associated with these services in Canadian liner trade. These changes culminated in a general increase in the number of services provided by conference lines and a decline in services provided by non-conference operators on both Canadian coasts in 1989 (see Table 6.1).

Highlighting Canadian North Atlantic trade in 1989 was the disappearance of Yugoslav Canada and Koala Lines and the realignment of Italian Line's service with that of Evergreen. On the Canadian west coast both Westwood Shipping and Compagnie Maritime Belge (CMB) withdrew their respective liner and container services to Europe while Canada Maritime and OOCL continued to offer landbridge services from the west coast to Europe via Montreal.

The Far East trade saw the commencement of landbridge services by Hyundai Merchant Marine and Evergreen from east coast ports to the Far East via Seattle, the ceasing of operations of Hong Kong Island Lines and the sale of its vessels to the China Ocean Shipping Company (COSCO), and the discontinuance of liner services from the west coast by Hoegh and Star Lines. In a related development, OOCL also withdrew from the Transpacific Westbound Rate Agreement (TWRA) and the Asia North America Eastbound Rate Agreement (ANERA) conferences in March of 1989, but remained a member of the Japan-West Canada Freight Conference and the TSA.

In the Australian trade, Ocean Star Line and Scancarriers, previously non-conference operators, became members of CANZAC; Hong Kong Island Lines withdrew its service; Knutsen Line entered into a new space charter agreement; and COSCO began serving Australia from Vancouver via a Far East feeder service.

Changes in service frequencies varied by route in 1989. Weekly services offered by non-conference operators to Europe from the east coast actually exceeded the number advertised by conference operators in late 1988 and 1989, as major independents such as Maersk and Evergreen began offering services on this route. In the Australian trade, non-conference operators providing feeder services continued to offer a superior service frequency in 1989, while in the Far East trade weekly sailings by conference lines declined. Outbound transit times, another measure of level of service, have been relatively consistent in the past three years.

Again, in 1989, many shipping lines increased their relative carrying capacities in the Canadian trades with the introduction of new and/or more economical equipment. Canadian east coast services saw Italian Line increase its container capacity by contributing two new container vessels to its joint service with Evergreen. Maersk continued to upgrade capacity on its Europe/North America/Far East service with the phasing in of its new "M" series vessels. Cast added a sixth conbulker (container/bulk vessel) to its fleet providing service between Montreal and Europe. Hoegh Lines, Scancarriers and Kent Line also made concrete moves to upgrade available capacity on services originating from Canada's east coast.

On the west coast, COSCO began to increase its container capacity with the introduction of new vessels; the Australia-New Zealand Direct Line employed three newly acquired roll on/roll off vessels in its joint service and Hoegh Lines replaced vessels transferred to its east coast service with three conbulkers. Other lines also increasing capacity in 1989 included Compagnie Générale Maritime (CGM), Neptune Orient, and United Yugoslav Line.

While changes in carrying capacity were generally directed toward U.S. markets, Canadian shippers benefitted as well from the observed increases. Indeed, there were no known reports by Canadian shippers of insufficient cargo carrying capacity in any of the Canadian liner trades in 1989, and on some major trade routes, there was even considerable excess capacity.

There is no indication that *SCEA* had a significant impact on any aspect of the level of service offered by liner operators (either conference or non-conference) to Canadian shippers in 1989.

TABLE 6.1
Number of Shipping Lines Offering Services on Major Canadian Trade Routes

To/From West Coast Canada	Fall 1987	Fall 1988	Spring 1989	Fall 1989
Conference Lines	23	20	22	23
Non-Conference Lines	20	18	15	14
To/From Eastern Canada				
Conference Lines	23	22	22	24
Non-Conference Lines	33	33	30	29

Note: The three major trade routes are Canada-U.K./Continent, Canada-Pacific Rim and Canada/Australia-New Zealand. Figures include direct calls to Canada and services to Canada via U.S. ports and landbridge services.

Source: Transport Canada, *Level of Service in the Canadian Liner Trades*, 1989.

Tariffs

Prevailing market conditions kept freight rates in check although some trades saw increases.

Changes in conference tariffs, based on an analysis of tariff rates for major commodities moving on major Canadian trade routes, are examined below.

Eastern Canada - Australia

Two conferences, one inbound (Australia - Eastern Canada Freight Conference) and one outbound (CANZAC), the former with two member lines and the latter with four, provided liner services in this trade in 1989.

The inbound conference reported no general rate increases in 1989. Competition from non-conference carriers and the fact that freight rates for the principal commodities moving in this trade continue to be set in negotiations between Australian marketing boards and carriers contributed to the stability of inbound rates. Nevertheless, these rates were subject to currency fluctuations as the conference quotes rates in Australian dollars.

On the other hand, CANZAC increased rates generally by six per cent. In the transition from ECANZ to CANZAC, the latter took the opportunity to change the former's tariff structure to a port-to-port tariff, dropping Montreal and keeping Halifax as the only base port, adding a pre-carriage charge (fixed rate per container) to shipments from Montreal and effectively increasing inland tariffs to Toronto. The presence of several non-conference carriers on the route, however, assured that rates remained competitive in 1989. As this conference quotes in U.S. dollars, rates are again subject to currency exchange fluctuations.

It would appear that prevailing market conditions, and not *SCEA*, determined freight rates in this trade in 1989.

Eastern Canada - United Kingdom/Continental Europe

As in 1988, the same four conferences, two outbound (one to the U.K. and one to the Continent) and their inbound counterparts, operated throughout 1989. Line membership remained the same in all four conferences in 1989.

The appreciation of the Canadian dollar led to reduced currency adjustment factors (CAF) which partially offset general rate increases instituted in 1989. As rates for many of the major commodities moving in these trades are negotiated with individual commodity associations and are set for up to a year, these commodities were not subject to the 1989 general rate increases (GRI) announced by the conferences.

Both export conferences instituted two GRI's in 1989 compared to three in 1988. These increases totalled \$250 per 20-foot equivalent unit or container (referred to as a TEU) and \$350 per 40-foot equivalent unit or container (referred to as an FEU). A review of tariff rates for selected major commodities moving to the U.K. and the Continent revealed that none of these

rates were subject to the full increase and that, on average, increases were less than 50 per cent of the announced GRI's, with some rates declining due to the lower CAF.

The import conference from the U.K. instituted one GRI during the year of $125 per TEU and $175 per FEU while its continental counterpart raised rates by $75 per TEU and $125 per FEU. Although some commodity rates were subject to the maximum increase, again, they were partially offset by a reduction in the CAF. Other rates showed little, if any increase, while a few showed significant decreases.

The existence of several strong non-conference operators in this trade prevented the conferences from following through with the actual proposed increases. However, both conference and non-conference operators have agreed that current rate levels in the trade are too low to yield an adequate return on investment and are contemplating a capacity reduction agreement similar to the TSA in an attempt to improve rates.

Eastern and Western Canada - Far East

The four conferences providing services on these trade routes in 1988 continued to do so in 1989. Member lines of the TWRA continued to provide the only outbound conference liner service from Eastern and Western Canada to the Pacific Rim, while three conferences -- ANERA, from the Pacific Rim (excluding Japan) to both Canadian coasts, and the Japan-East Canada and Japan-West Canada Conferences (JEC and JWC) -- provided inbound services.

Changes in freight rates experienced in 1989 by Canadian shippers availing themselves of the services of the TWRA and ANERA -- both joint Canada/U.S. conferences -- and the JWC and JEC -- both extensions of U.S. conferences -- can be explained for the most part by developments in the U.S. market which accounts for over 90 per cent of total tonnage carried by these conferences.

As in other trades, Canadian shippers were again at the mercy of currency exchange rate fluctuations in 1989 as all four of the above conferences quote rates in U.S. dollars. The weakening of the U.S. dollar relative to the Japanese yen in recent years has been responsible for high CAF's to and from Japan, Korea and Taiwan. However, in 1989, the U.S. dollar rebounded slightly which resulted in reduced CAF's charged by ANERA and the TWRA.

As a consequence, the revival of export rates, begun in 1987, continued in 1989 as the TWRA instituted two GRI's totalling $320 per TEU, $400 per FEU, and 21 per cent for all other rates. While some commodity rates were increased to the maximum, most rose to a lesser extent, some remained the same and a few actually declined. However, the extensive use by the conference of some 2,000 independent action (I/A) rates offset, to some extent, the adverse effect of the TWRA's rate actions on Canadian shippers.

On the import side, ANERA raised rates by $115 per TEU and $150 per FEU in 1989 as a result of the success enjoyed by the TSA (to which all ANERA member lines are signatories) in reducing carrier overcapacity on the eastbound Transpacific trade route. A 56 per cent drop in the number of I/As filed also contributed to ANERA's ability to reverse the trend towards lower rates observed in 1988. While most ANERA rates increased by the amount of the GRI, the effective increase in rates varied depending on the commodity carried, with some rates actually dropping in 1989.

Tracking changes in the tariffs of the JWC and JEC proved impossible as both conferences continued to use "open" rates in 1989. In September, the JWC attempted to stabilize its rates by establishing minimum revenue requirements which were filed with the Agency. However, it is difficult to ascertain whether the established minimums had an effect on rate levels.

Although Canadian shippers were faced with generally higher freight rates in 1989, significant non-conference (liner and non-liner) competition, tariff policies adopted by some conferences, and the continued use of independent action limited the relative increases in conference freight rates in the Transpacific trade in 1989.

EFFECTIVENESS OF *SCEA* IN ITS SECOND YEAR

Service Contracts

Service contracts insignificant in conference trade.

Service contracts continued to play a minor role in conference trade with only five contracts, three import and two export, filed with the Agency in 1989; all five were due to expire in early 1990. This compares with six contracts, five import and one export, filed in 1988, all of which expired without being renewed.

The number of conferences in Canadian trade making use of service contracts increased from two in 1988 to four in 1989. However, only one conference filing a service contract in 1988 did so again in 1989; furthermore, this contract was negotiated with a different shipper and for a different commodity.

The three import contracts were negotiated between conferences and consignees importing goods from Europe, while the two export contracts pertained to the movement of commodities from Canada to Australia and Europe.

While non-conference lines are not required to file with the Agency, evidence also seems to indicate that there are very few service contracts in this sector. The only significant use of service contracts appears to be by non-liner carriers specializing in the movement of forest products.

Some conferences have expressed a willingness to negotiate service contracts containing rate escalation clauses; however, shippers are unwilling to enter into a binding agreement containing provisions for increased rates. Other conferences have chosen to adopt policies prohibiting the use of service contracts given prevailing market conditions in the trades they serve. Also, extensive use of independent action by member lines of some conferences has reduced or almost eliminated the necessity for service contracts. A general unfamiliarity with service contracts as a rate option and the frequent use of freight forwarders by many Canadian shippers to arrange transportation overseas may also explain, in part, the lack of use of service contracts in Canadian trade.

The nature and finality of service contracts in terms of commitments on the part of shippers and carriers, the volatility of world markets and the liner industry, and the availability of other means of negotiating reduced freight rates have also contributed to both parties' reluctance to enter into formal and extended contractual arrangements for the movement of Canadian liner cargo.

Independent Action

Use of independent action did not increase significantly.

The number of conferences making use of I/A in Canadian liner trade did not change in 1989 (see box on next page). Four conferences -- TWRA, ANERA, the West Coast/Middle East and West Asia Rate Agreement (WAME) and the American West African Rate Agreement (AWAFC) -- used I/A extensively on their respective trade routes as is reflected by the considerable number of I/As taken and the significant tonnage they reported moving under I/A rates in 1989. All other conferences employing I/A in 1989 appear to have done so to a limited extent or selectively as attested by the small number of I/As filed and the relatively small proportion of tonnage moved under these rates.

An analysis of conference tariffs revealed that I/As predominantly took the form of rate actions in 1989. Compared to standard conference rates, I/As offered shippers discounts ranging from a minimum of two per cent to a maximum of 55 per cent, averaging six per cent in the case of the Eastern Canada-Caribbean Rate Agreement (ECCRA) and 30 per cent in the case of the TWRA. Other I/As instituted by member lines of conferences consisted of premiums on the movement of specific and specialized commodities, clarifications of general conditions of carriage, service conditions and rates quoted by a single carrier to specific locations within the scope of a conference.

The TWRA and ANERA, which carry the majority of Canadian imports and exports moving in Transpacific liner trade, made extensive use of I/A rates again in 1989. The number of I/As taken by TWRA member lines is estimated to have increased by some 27 per cent, but this is still below the number reported in 1987 prior to the enactment of *SCEA*, and many of those were simply extensions of I/As taken in 1988. TWRA member lines also continued their policy of adjusting most I/A rates upwards in conjunction with a GRI in order to maintain a constant differential between those rates and standard tariff rates. From a shippers' perspective, this approach had both a positive and negative impact; on the one hand the shipper still received a discount rate below the standard tariff, but on the other hand, still faced an increase as a result of the GRI.

While ANERA member lines continued to file I/As in 1989, they were less of a factor in the Transpacific eastbound trade as the number taken declined by 56 per cent in 1989. It would appear that their use was significantly curtailed by the TSA, the purpose of which is to stabilize rates in that trade and, as such, runs counter to that of I/A.

Finally, the JEC and JWC began making limited use of I/A rates in 1988; however, in June of that year both conferences declared all rates open (member lines were free to quote their own rates) thus effectively eliminating the need for I/A. This policy carried over into 1989 although the JWC did file "minimum revenue requirements" with the Agency in late 1989. In retrospect, trends seen in these two conferences' rates seem to suggest that *SCEA*'s provision relating to the

USE OF INDEPENDENT ACTION IN CANADIAN LINER TRADE

Nine conferences reported using I/A in 1989, an increase of two from 1988. While four additional conferences reported taking I/A in 1989, tariff analysis showed that two which did not report in 1988, had used I/A prior to *SCEA, 1987*. Another two conferences that had used I/A in 1988 switched exclusively to open rates in 1989. The net result was no change in the actual number of conferences using I/A from 1988 to 1989.

Member lines of the following conferences, ranked according to the number of I/A's taken, exercised their right to take I/A in 1989:

- **Transpacific Westbound Rate Agreement (TWRA)**
- **Asia-North America Eastbound Rate Agreement (ANERA)**
- **American West African Rate Agreement (AWAFC)**
- **West Coast/Middle East and West Asia Rate Agreement (WAME)**
- **Canadian Group Agreement**
- **Eastern Canada-Caribbean Rate Agreement (ECCRA)**
- **8900 Lines Agreement**
- **Canada-U.K. Freight Conference**
- **Canadian Continental Eastbound Freight Conference**

Of the three major trade routes analysed, only the Transpacific made extensive use of I/A. On the United Kingdom-Continental Europe route there were only a handful of I/A's and none were reported in the Australian trade. While conferences on all three routes are confronted with significant non-conference competition, the number of I/A's taken shows the relative volatility of the Transpacific which, as well as having a far greater number of lines, has undergone dramatic changes over the past few years compared to the other more stable trades.

mandatory right of I/A may have influenced the JEC and JWC's decisions to declare all rates open in 1988.

Two additional conferences reported using I/A in 1989: ECCRA and the Canadian Continental Eastbound Freight Conference. Of the remaining conferences, there was no significant change in their level of use of I/A in 1989.

Many conferences serving Canada had permitted the use of I/A, and some were actively using it in their operations prior to the enactment of *SCEA*. Thus, it would appear that this provision has had no more of a measurable impact, with the exception of the JEC, JWC, and AWAFC, in 1989 than it did in 1988. Changes in conference rates noted in 1989 continue to be better explained by supply and demand imbalances in international liner trade. However, it is probable that, despite the confinement of the extensive use of I/A primarily to the Transpacific trade, the threat of the use of this pricing option by member lines influenced, to the benefit of shippers, conference decision-making regarding proposed changes to freight rates in other trades in 1989.

Loyalty Contracts

Loyalty contracts not used in 1989.

While there was widespread use of loyalty contracts on some major Canadian trade routes prior to 1988, provisions in *SCEA*, eliminating a conference's ability to demand 100 per cent of a shipper's cargo, led to their disappearance in 1988. No change was noted in 1989 as no loyalty contracts were employed by any conference serving Canada.

PERSPECTIVES ON *SCEA*

Shippers' Perspective

Majority of shippers reported no effect.

The Agency again polled Canadian shippers in 1989 regarding the impact of *SCEA* on their operations. Results of the survey indicated that two-thirds of Canadian shippers were still unfamiliar with the legislation, the same proportion as in the 1988 Shippers' Survey.

Tabulations revealed that smaller shippers, as well as shippers who used freight forwarders exclusively, tended to be unfamiliar with *SCEA*. On the other hand, larger shippers who relied less on freight forwarders,

and thus exercised greater control over the movement of their products, reported greater familiarity with the legislation. The survey also showed that proportionately more respondents in the paper and chemical industries were familiar with the legislation than not. In asking Canadian shippers to rate the effects of *SCEA* in general as well as the Act's major provisions on their operations in 1989, analysis was limited to only those shippers who professed familiarity with the Act. Their aggregated responses for 1988 and 1989 are presented in Table 6.2.

Although the actual proportion was slightly lower than in the previous year, the majority of shippers again responded that *SCEA* in general had had no effect on their 1989 operations. The proportion of shippers who saw benefits from *SCEA* declined from 29 per cent in 1988 to 18 per cent in 1989 while the proportion of shippers alleging the Act was not beneficial to their interests jumped from eight per cent in 1988 to 23 per cent in 1989. Although the proportions fell in 1989, the majority of responding shippers still felt that both service contracts and independent action had had no effect on the way they did business. Regarding *SCEA*'s other provisions, the majority again noticed no significant effect on their operations.

Survey results suggest that the use of service contracts by Canadian shippers increased from 1988 to 1989. Given that one less service contract between Canadian shippers and conferences serving Canada was filed with the Agency in 1989, it would appear that the majority of respondents' unfamiliarity with *SCEA* and its provisions adversely affected their ability to accurately report on the use of service contracts in Canadian liner trade. Moveover, it seems that shippers may have again confused service contracts with I/A rates, freight forwarder rates and time-volume rates and included, in their survey responses, service contracts with non-conference carriers as well as with lines calling at U.S. ports. Survey results indicating that only five per cent of Canadian shippers actually reported approaching conferences serving Canada regarding the negotiation of service contracts would appear to more accurately reflect shippers' experiences with these contracts.

Canadian shippers also reported an increase in the use of I/A in Canadian liner trade in 1989. Other evidence suggests that the survey results accurately reflect the direction of change; however, the inconsistency of responses to questions related to I/A use and the likelihood of confusion of these rates with other types of rates offered by conferences serving the U.S. and Canada, raises doubts about the actual extent of use of I/A in Canadian trades in 1989.

Some shippers, in written comments, expressed dissatisfaction with the unresponsiveness of conferences to the needs of Canadian shippers and their reluctance to allow member lines to negotiate service contracts or to use I/A rates. One shipper opined that *SCEA* was not meeting the government's objectives of promoting competitiveness, flexibility and innovativeness in the transportation system. Others were of the view that conference rates were not competitive and that without the presence of independent shipping lines to provide a viable alternative, conference rates would be even higher.

TABLE 6.2
Shippers' Assessment of SCEA in 1988 and 1989

	Beneficial (%)		No Effect (%)		Not Beneficial (%)	
	1988	1989	1988	1989	1988	1989
Effect of:						
SCEA in General	29	18	63	58	8	23
Service Contracts	21	17	74	68	5	15
Independent Action	32	34	65	55	3	11
Designated Shippers Groups	13	13	85	75	2	12
Loyalty Contracts	18	13	79	78	3	9
Notice Period for Tariff/ Surcharges	27	29	63	65	10	6
Complaint Resolution	7	9	90	86	3	5

Note: Results based only on responses from those shippers familiar with SCEA.

Source: NTA 1989 Shippers' Survey.

Finally, when asked to what extent they thought *SCEA* had aided them in competing internationally, the majority (61 per cent) of responding Canadian shippers who were familiar with the Act were of the opinion that it had not.

SHIPPERS RATE CONFERENCE AND NON-CONFERENCE CARRIERS ON LEVEL OF SERVICE

For the second year in a row, price/rate was mentioned most often by shippers as the number one factor in the selection of an ocean carrier.

In comparing the level of service provided by conference and non-conference lines, results obtained showed no variability from 1988 to 1989. Responding shippers once again rated non-conference lines good to very good more often in terms of price/rate, while conference carriers received superior ratings on all other criteria including frequency of sailings, space availability, transit times and overall service.

Freight Forwarders' Perspective

Most forwarders reported no impact.

Results obtained from the 1989 Survey of Canadian International Freight Forwarders were very similar to those seen in 1988. As in 1988, slightly less than one-half of all forwarders responding claimed to be familiar with *SCEA* and its provisions. Of those familiar with the legislation, 81 per cent noted that the Act had had no impact on their operations in 1989.

The majority of forwarders indicated that they generally assigned equal proportions of cargo to conference and non-conference carriers. This mirrors the situation reported by forwarders in 1988. In selecting ocean carriers to which to assign cargoes, 75 per cent of forwarders considered price/rate to be most important, followed by transit time.

When asked to rate services provided by conference carriers in 1989, 83 per cent of all forwarders responding described them as good to very good.

According to the Agency's survey, standard conference and non-conference rates were used most frequently by a majority of responding forwarders in 1989. Service contracts and open rates were used very infrequently or not at all. Forwarders were of the view that both conference and non-conference freight rates were relatively stable in 1989. Almost two-thirds of forwarders familiar with the Act felt that *SCEA* had no effect on either inbound or outbound ocean freight rates in 1989.

Approximately 62 per cent of forwarders familiar with *SCEA* noted that they had approached member lines of conferences regarding I/A on rates or services in either inbound or outbound trade in 1989. However, only 14 per cent of these forwarders reported using I/A's frequently. Indeed, almost one-half reported using I/A rates infrequently or not at all in 1989, a pattern similar to the one noted in 1988. Of the forwarders familiar with *SCEA* who made use of I/A, most reported 10 per cent or less of their outbound and inbound shipments moved under I/A rates. According to a majority of these forwarders, I/A had a negative or no effect on their bargaining position vis-à-vis conferences in 1989.

As in 1988, an overwhelming majority of forwarders familiar with the Act reported never approaching conferences regarding the negotiation of service contracts. Approximately three-quarters of these respondents felt that the introduction of service contracts had no effect on their bargaining position. Sixteen per cent thought their bargaining position had improved with service contracts, while the remainder did not.

With respect to intermodal transportation in 1989, truck/marine and rail/marine were mentioned most often, and in relatively equal proportions, by responding forwarders as the two major modal combinations used to move the largest portion of their overseas shipments. Major intermodal issues mentioned by forwarders in 1989 included delays and congestion in moving containers at major rail terminal yards and the relatively more competitive rates and services offered at U.S. ports and via U.S. inland routes.

Commenting generally about *SCEA*, some forwarders felt that the conference system had outlived its usefulness in today's global marketplace and should be abandoned. The lack of service contracts, and the inflexibility of conferences in rate negotiations were concerns also raised by several forwarders. Others commented on the failure of conferences to recognize international freight forwarders as "shippers". Still another forwarder expressed concern about the licensing and definition of a "bona fide" freight forwarder in the context of *SCEA*. Finally, one forwarder suggested that more information on *SCEA* should be made available to forwarders.

Conferences' Perspective

Conferences indicated dissatisfaction with independent action provision.

Eighty per cent of conferences responded to the Agency's 1989 survey, a slight increase over 1988. Completed survey forms were returned by conferences operating on all major Canadian liner trade routes.

Independent action (I/A), again the most frequently mentioned issue, was addressed by 15 conferences compared to 10 in 1988. Two conferences, down from five, sought the outright deletion of this clause from *SCEA*; 13 conferences, an increase of eight from 1988, wanted the present 15-day notice period for the taking of I/A extended to 30 or to 60 days. There was little change in opinion on the effect of I/A on rates with four conferences indicating their rates had been reduced, and two stating the provision had had no effect on rate levels. Three conferences noted that I/A had reduced their revenue base and had also had a negative effect on intra-conference relationships.

Despite the disappearance of loyalty contracts from Canadian liner trade, 13 conferences expressed the desire to return to this rate option, as defined under the previous *SCEA* legislation, allowing conferences to demand a 100 per cent commitment of a shipper's cargo.

Seventeen conferences, compared to nine in 1988, reported increasing rates citing, as major reasons, operating costs, capital costs, market conditions and inland costs. On the other hand, six conferences indicated rates had generally decreased, mainly due to competition from non-conference lines and non-vessel operating common carriers. Pressure from foreign countries competing for the same markets also contributed to rate reductions in 1989.

Conferences reported that 67 per cent of shippers' requests for rate reductions were fully agreed to and a further 12 per cent partially agreed to in 1989. The most frequently accepted justifications for rate reductions were, in order of importance, competition from non-conference carriers, prevailing market conditions, competition from alternative routes, competition from foreign producers and suppliers, and assistance to a shipper entering a new market.

Landbridge services, especially from eastern Canada to the Pacific Rim and Australia, play a major role in Canadian trade. While their use continues to grow, only five conferences felt that competition from landbridge services greatly affected their operations in 1989; 16 perceived a limited effect; and three noted no impact from these services.

Conferences were generally pleased with conditions relating to service contracts and through rates. However, four conferences suggested that the tight definition of service contracts reduced flexibility in meeting individual shipper's requirements. One suggested that service contracts should allow for the negotiation of either a percentage or a fixed volume of a shipper's cargo to be carried under such contracts.

Only one conference reported receiving a request for a meeting from the Canadian Shippers Council, pursuant to section 20 of *SCEA*. As the conference and the Council could not agree on an agenda, the meeting was not held.

All conferences indicated that *SCEA* had had no greater impact on their operations in 1989 than it did in 1988. Furthermore, 20 conferences noted that *SCEA* in general had had no effect on their operations in 1989, compared to 15 in 1988.

Terminal Operators' Perspective

Terminal operators had little to say.

For the first time in 1989, the Agency solicited the views of port terminal operators providing services to shippers, other intermediaries, and carriers in major Canadian ports on the impact of *SCEA* on port operations. The small number responding reported no negative effects to date on their business as a result of the passage of *SCEA*.

One operator did, however, note that he expected confidential marine service contracts to make trade routes more competitive. Another commented that the fundamental precept underlying *SCEA* should be reviewed given the global trend toward re-examining the treatment of conferences. However, terminal operators appeared more pre-occupied with the indirect effect on their business of the *NTA, 1987* and the *MVTA* -- and not so much of *SCEA* -- particularly with respect to the influence these Acts will have on intermodal developments and the potential diversion of Canadian export and import traffic to U.S. ports.

OTHER DEVELOPMENTS IN 1989

Interpretive Difficulties

Several issues pertaining to the application of *SCEA* were raised by both shippers and conferences in 1989. The exemption of conferences and the filing of agreements under *SCEA* (see box) were two fundamental issues debated; others concerned the clarification of some *SCEA* definitions and filing requirements.

An issue that had arisen under the previous legislation resurfaced in 1989. Pursuant to section 20, conferences are required to "meet with the designated shippers group and shall provide ... information sufficient for the satisfactory conduct of the meeting." The failure of conferences and the Canadian Shippers Council to agree on minimum information requirements under this section has prompted the Council to request the Minister of Transport to further define this term.

The effectiveness of *SCEA*'s section 13 complaint mechanism has also been questioned. The wording of the section places the onus on the complainant (the shipper) to first establish that there has been "a reduction in competition" and then to prove that this reduction led to "an unreasonable reduction in transportation services or an unreasonable increase in transportation cost". With the existence of considerable non-conference options in most trades, it would be difficult, if not impossible, to substantiate a complaint under this section, thereby rendering it ineffective according to the Canadian Shippers Council.

> **EXEMPTIONS UNDER *SCEA***
>
> **The issue of the Agency's granting of exemptions under *SCEA* surfaced in 1989. While it had been established under previous legislation that conferences had to agree on both rates and conditions of carriage before being granted an exemption, the present wording in *SCEA* has necessitated a change in this position. It has been determined that a conference can be an association of ocean carriers agreeing to any one or a combination of a number of practices enumerated in the legislation. It was further decided that the Agency had no jurisdiction to reject a submission or to grant or deny an exemption from the *Competition Act* under *SCEA*. Thus, the determination of whether or not an exemption is granted becomes a matter for the conference and Consumer and Corporate Affairs Canada's Bureau of Competition Policy to resolve.**

The switch to the exclusive use of open rates by two conferences, who have failed to file either standard or individual member line tariffs, was also reviewed by the Agency. It was determined that tariff filing is required only if a conference establishes common rates and seeks an exemption from the *Competition Act* for this pricing practice.

The conferences raised two issues in 1989 related to the waiving of notice periods established by *SCEA* and the use of I/A to increase rates. Regarding the former, the Agency ruled that it was not empowered to grant waivers, and with respect to the latter, that a conference member line could use I/A to increase a rate; however, other member lines would be forced to wait 30 days before they could file for a similar increase.

Concerns of the Designated Shippers Group

The Canadian Shippers Council, designated under section 21 of *SCEA* as an entity to represent Canadian shippers' interests in discussions with shipping conferences, confronted conferences on a number of issues in 1989. Over the year, the Council expressed its opposition to increases in ancillary and terminal charges introduced by ECANZ/CANZAC; requested further clarification of the TWRA's new fuel charge introduced in July; protested the October 1 GRI proposed by North Atlantic conferences; and asked for a re-assessment of the re-introduction of a bunker adjustment factor (BAF) by these same conferences. As well, the Council also opposed the elimination of the Saint John and Quebec arbitraries from the tariffs of the North Atlantic conferences, and asked for further consultation on the introduction of demurrage charges to improve container utilization. In addition, the Council sought the support of these same conferences in approaching the railways regarding the elimination of an overweight surcharge on the rail inland cost to and from base ports.

The Council, as the designated shippers group, made its concerns known to the Minister of Transport and the Agency in 1989. Foremost among these concerns was the previously mentioned shipper/carrier consultation pursuant to section 20 of *SCEA*.

Although used only once, the Council also criticized the dispute settlement mechanism presently entrenched in the *NTA, 1987* (section 59) for not

providing the "economical, quick, accessible and reasonably predictable" mechanism necessary to allow the designated shippers group to bargain more effectively with conferences.

The designated shippers group also pointed to the general ineffectiveness of mandatory I/A and service contracts as rate options available to Canadian shippers and the need for increases in charges ancillary to marine transport to be fair and transparent.

Given the nature of its concerns and the ineffectiveness of the legislation, from a shippers' perspective, the Canadian Shippers Council has called for an immediate overhaul or outright revocation of *SCEA*.

U.S. Shipping Act of 1984

In the fall of 1989, the Federal Maritime Commission (FMC) delivered its report on the five year review of the Act to Congress. It reported that, compared to market conditions, the Act had little significant impact on rate levels, service frequency, and the strength of independent competition in the U.S. liner trades. These trades, according to the FMC, remained open and competitive, a finding which it partially attributed to the success and widespread use of I/A and confidential service contracts.

Given the FMC's findings and the general consensus among shipping groups regarding its effectiveness, it is expected that only minor amendments will be made to the Act. With the exception of the Shipping Act's I/A and service contract provisions, upon which *SCEA*'s counterpart provisions have been modelled, it is unlikely that any of these amendments would have any direct or significant bearing on Canadian liner trades in general or *SCEA* specifically. Nevertheless, the extent of the effect of any changes in the *U.S. Shipping Act of 1984* on *SCEA* will depend upon the respective timing of the enactment of amendments to the two Acts.

IMPACT OF *SCEA*

There was a consensus that SCEA had little or no impact in 1989.

Again in 1989, market forces and supply-demand considerations -- and not *SCEA* -- shaped the face of Canadian international liner trade. Changes in the structure of liner shipping, traffic levels, levels of service, and ocean freight rates in 1989 reflected the continuing efforts of the liner shipping industry to offer shippers a complete and efficient freight transportation service. The shipping industry relied as little as possible on Canadian conference exemption legislation to accomplish this task.

In terms of legislative impact, two of *SCEA*'s major provisions fared no better in 1989 than they did in 1988. Fewer service contracts were filed in 1989 than in the previous year and, although its frequency of usage was far superior to that of service contracts, *SCEA*'s legitimizing of I/A had little impact on significantly increasing its role in Canadian liner trade in 1989.

That changes in *SCEA* had little or no impact in 1989 was further confirmed by the Agency's surveys of Canadian shippers, international freight forwarders, port terminal operators and shipping conferences.

For the second consecutive year, the majority of shippers and intermediaries responding to Agency surveys exhibited an unfamiliarity with *SCEA* and a lack of understanding of its major provisions. As well, the aforementioned interpretive difficulties threaten to further exacerbate this problem and adversely affect the ability of shippers as well as carriers to effectively comment on the impact of *SCEA* on their operations.

NORTHERN MARINE RESUPPLY

HIGHLIGHTS OF 1989

Mackenzie System

Significant Increase in Movement of National Defence Cargoes

Construction at North Warning System sites in the Western Arctic resulted in a significant increase in national defence cargoes in the 1989 shipping season. This freight was handled exclusively by Northern Transportation Company Ltd. (NTCL), the system's principal carrier.

National Energy Board Approves Mackenzie Delta Gas Export Licence Application

Following a public hearing, the National Energy Board granted licences to Esso Resources Canada Ltd., Gulf Canada Resources Ltd. and Shell Canada Ltd. authorizing the export of natural gas from the Mackenzie Delta to the U.S. beginning in 1996.

Athabasca System

Principal Lake Athabasca Carrier Requests Operating Subsidy

In a letter to the Minister of Transport, A. Frame Contracting Ltd. (A. Frame), the principal resupply carrier, requested an operating subsidy guaranteeing a minimum annual revenue to maintain its current level of service. The Minister denied this request on the grounds that there are no provisions in Part V of the *NTA, 1987* that allow for subsidy payments to a marine carrier.

New Carrier Licensed on Lake Athabasca

Lake Athabasca Transport was granted a 1989 marine resupply licence to provide service between the Alberta communities of Fort McKay, Fort Chipewyan, Moose Island Landing and Fort Fitzgerald.

Cree Band Marine Ltd. Ceases Operations

Following operational problems in 1988, which prevented it from providing a regular barging service, Cree Band Marine Ltd. failed to operate in 1989. The season's end saw the Agency reviewing the carrier's indefinite water transport licence issued in 1988.

REGULATORY REFORM

Changes included indefinite licences, and deregulation of the carriage of national defence and resource sector cargo.

In January 1988, Part V ("Northern Marine Resupply Services") of the *NTA, 1987*, replaced the *Transport Act* as the key statute regulating the movement of goods by water and the licensing of tug and barge operations on the Mackenzie River, in the Western Arctic and on Lake Athabasca, hereinafter referred to as the Mackenzie and Athabasca systems (see Figures 6.3 and 6.4). Under Part V, movements of national defence cargo and cargoes in support of the development of non-renewable resources in the North were deregulated, leaving the Agency to licence only those marine carriers providing essential resupply services to remote communities.

Changes in tariff provisions under Part V call for marine carriers to file with the Agency actual tariffs being charged (rather than a maximum standard tariff as was the case under the *Transport Act*) and to make copies of these available in the communities they serve.

Part V also streamlined the licensing process, allowing for the issuing of licences on an indefinite rather than an annual basis, and the licensing of total carrier capacity as opposed to individual pieces of equipment. Part V also places more emphasis on shippers' support in the Agency's evaluation of a licence application.

INDUSTRY STRUCTURE

Mackenzie System

The number and size of licensed carriers providing resupply services did not change.

The Mackenzie sector saw little change in the number of licensed carriers providing resupply services in 1989.

The three grandfathered licensees in 1988 -- Northern Transportation Company Ltd. (NTCL), Cooper Barging Service Ltd. (Cooper) and Coastal Marine Ltd. (Coastal) -- continued to provide resupply services throughout the 1989 shipping season. Beluga Tours Ltd. (Beluga), who had only interim operating authority in 1988, was issued an indefinite marine resupply licence early in 1989.

All of the above carriers provided barging services in 1989 in support of the resource sector as an adjunct to the provision of community resupply services. Arctic Transportation Ltd., previously the system's second largest carrier, continued to maintain a token presence in the Beaufort, solely in support of oil exploration activities.

Athabasca System

One carrier suspended operations; new carrier entered the system.

Three carriers were licensed to provide resupply services in the Athabasca system in 1989: A. Frame Contracting Ltd. (A. Frame), Cree Band Marine Ltd. (Cree Band) and Lake Athabasca Transport. A. Frame, the principal carrier in the system since 1984, continued to provide service throughout the 1989 season. Cree Band, first licensed in late 1987, faced with the prospect of limited tonnage, combined with operational, administrative and financial problems experienced in 1988 decided to suspend operations indefinitely.

Lake Athabasca Transport, a new carrier in the system, was granted operating authority in 1989. The carrier had been active throughout 1988 hauling freight for its parent company SJI Enterprises Ltd. Unlike all other carriers licensed under Part V, who had been granted indefinite licences, the Agency issued this carrier a marine resupply licence which expired on December 31, 1989, citing the need to reassess, at the end of the 1989 season, the number of licensed carriers in the context of prevailing market conditions in the system. As of the end of 1989 Lake Athabasca Transport had not applied for renewal of its licence.

Sydney McKay, previously licensed under the *Transport Act* and exempted under the current legislation, provided an intermittent resupply service in 1989. Setrakov Construction Ltd., and the Fort Chipewyan Indian Band also carried resupply cargo for their own account in 1989 and did not require licences.

The Agency received no new licence applications nor applications for increases in either operating authority

FIGURE 6.3
THE MACKENZIE RIVER AND WESTERN ARCTIC REGION

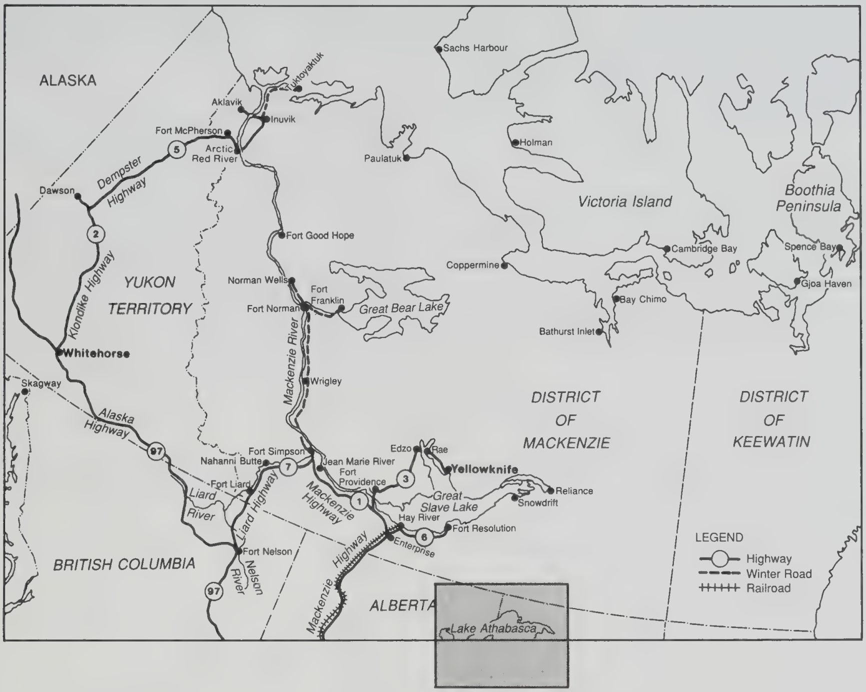
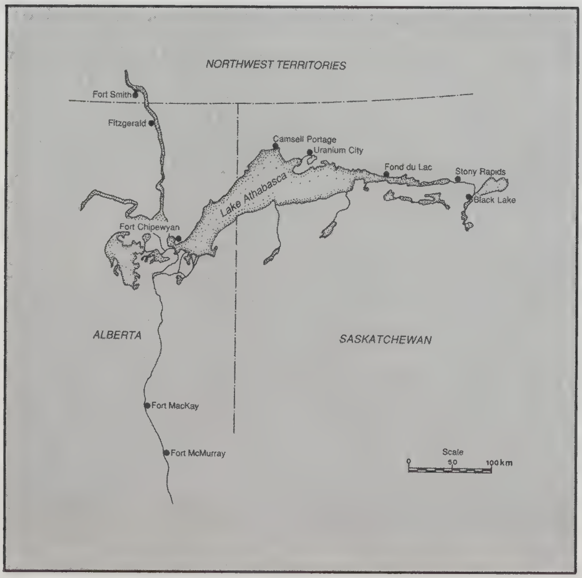


FIGURE 6.4
LAKE ATHABASCA REGION



or carrying capacity from any licensed carrier in the system in 1989.

NORTHERN MARINE OPERATIONS

Mackenzie System

Areas of Operation and Level of Service

Demand for resupply services met with an acceptable level and quality of service.

There was no significant change from 1988 to 1989 in either the number of communities served and types of service offered by licensed water carriers, or in the total carrying capacity available in the system.

NTCL, having fully integrated Arctic Transportation Ltd.'s equipment into its fleet and utilizing only 86 per cent of its licensed register tonnage, again provided services to 26 communities along the Mackenzie River, on Great Slave Lake and in the Western Arctic. Cooper, the second largest carrier in the system, with a register tonnage of one per cent of NTCL's, provided services on an unscheduled and charter basis to eight communities along the Nelson, Liard and Mackenzie Rivers. In addition, both NTCL and Cooper served Jean Marie River in 1989. Due to its location on the Mackenzie Highway, Fort Simpson was not resupplied by water in 1989. Coastal again provided charter service in the Mackenzie Delta. Beluga, on the cessation of its contract with Esso Resources Ltd. in Norman Wells in 1988, returned to the Delta to provide a charter service in conjunction with Coastal.

Hay River, Norman Wells, Inuvik and Tuktoyaktuk, main staging and transhipment points in NTCL's system, received regular and frequent service in 1989. The Mackenzie system's principal water carrier made 60 calls to other northern communities in 1989, compared to 51 in 1988. The community resupply trade represents a large stable source of tonnage and is almost exclusively handled by NTCL.

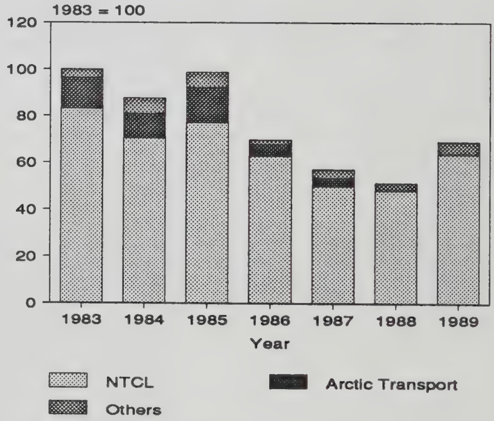
Coastal made 34 trips in 1989 between Inuvik and Tuktoyaktuk, substantially more than in 1988 when it operated for only three months due to the refitting of its single tug. An exceptional demand for its services in the resource sector and a lack of specialized equipment in 1989 resulted in the carrier chartering Beluga's tug and barge in order to meet its contract obligations. Beluga returned to the Delta in 1989 and, despite being under contract to Coastal for part of the season, operated at only one-third of its capacity, making a total of 15 trips between Inuvik and Tuktoyaktuk. Cooper's level of service remained relatively stable in 1989 as it continued work for a major oil company in the Fort Norman to Norman Wells area and provided a charter service on the Liard River.

Traffic

Major increase in unregulated cargo; community resupply also up.

After three consecutive years of declining traffic, total freight tonnage carried in the system increased in 1989 by an estimated 35 per cent. Both NTCL and Coastal experienced significant increases in total tonnage carried; Beluga reported a more modest increase, while Cooper's tonnage remained relatively stable. The trend in tonnages carried over the past seven years can be seen in Figure 6.5.

FIGURE 6.5: INDEXED FREIGHT TONNAGE MOVED IN THE MACKENZIE SYSTEM 1983 – 1989



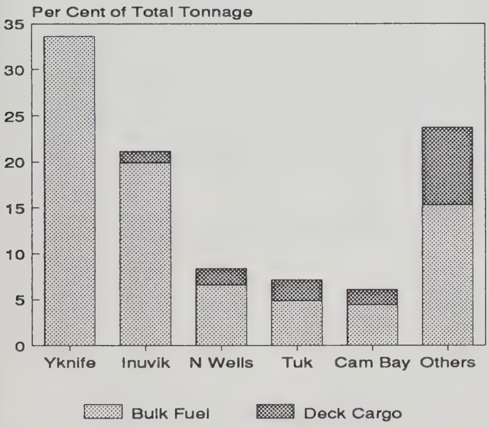
Source: Annual Commercial Water Carriers' Reports

Community resupply cargo again proved to be the mainstay of barge transportation in the system. However, the increase in unregulated tonnage moved by the four licensed carriers in the region overshadowed the 12 per cent rise in resupply tonnages, causing the latter's proportion of total tonnage moved in the system to drop to approximately 68 per cent compared to 80 per cent in 1988. Almost all community resupply cargo continued to move on NTCL barges in 1989 representing some 71 per cent

of its tonnage carried in 1989, compared to 83 per cent the year before. Cooper and Coastal carried the remaining resupply tonnage in 1989. Beluga relied exclusively on unregulated freight to keep its operations active.

As in 1988, almost all resupply tonnage carried by NTCL originated from its staging terminal at Hay River or from Norman Wells. Increased demand for bulk fuel (which accounted for 85 per cent of resupply tonnage) for mining activities in the vicinity of Yellowknife and by the municipality of Yellowknife as a result of reduced inventories resulted in a 14 per cent increase in the movement of this commodity by NTCL in 1989. On the other hand a rise in general construction in the North (i.e. housing, RCMP and nursing stations, schools and airport expansions) led to a modest three per cent increase in deck cargo movements whose share of total tonnage declined slightly in 1989. Major destinations for resupply cargo, in terms of their proportion of total freight tonnage, appear in Figure 6.6.

FIGURE 6.6: MAJOR DESTINATIONS FOR NTCL RESUPPLY CARGO IN 1989



Source: Annual Commercial Water Carriers' Reports.

An encouraging development in 1989 was the significant increase in the availability of unregulated cargoes for carriage. Construction associated with the change-over from the DEW Line to the North Warning System led to a threefold increase in the movement of national defence cargo. Despite the deregulation of such cargo in 1988, NTCL continued to carry all of these shipments. However, gains are temporary as construction at North Warning System sites in the Western Arctic winds down.

Movement of an oil rig module to Alaska and an end of season request for movement of a substantial volume of bulk fuel to a site in the Beaufort combined to significantly boost NTCL's resource sector tonnage in 1989. As the other licensed carriers in the system rely mainly on resource sector charter business, it is difficult to determine the exact impact of the increase in resource sector activity on these carriers; but, it is estimated to be positive.

NTCL continued to monopolize the carriage of all types of cargo by water in the system in 1989. Limited grandfathered operating authorities and carrying capacities precluded Cooper, Coastal and Beluga, individually or combined, from making inroads into NTCL's dominance of barging in the North.

Tariffs

NTCL filed for a tariff increase of three per cent.

The 1989 shipping season saw NTCL increase its deck cargo and bulk fuel resupply freight rates in the Mackenzie system by three per cent. This was identical to the increase to which northern shippers were subjected in 1988. In comparison, the Yellowknife consumer price index (services) rose by 3.3 per cent in 1989.

NTCL also increased container tariffs, unitization charges, terminal charges and highway trailer rates by 2.5 to three per cent in 1989. The new rates took effect on the commencement of the 1989 season and no formal complaints were received by the Agency from shippers regarding the proposed tariff increase.

Neither Cooper, Coastal or Beluga, all primarily charter operators, filed a tariff increase in 1988 or 1989.

Carrier Performance

Financial position of carriers generally improved.

Discussions with representatives of the four licensed carriers operating in the Mackenzie system at the end of the 1989 shipping season suggested, in the case of at least three carriers, a general improvement in their financial situation over that of 1988.

The increase in activity in the unregulated sector, primarily the Beaufort oil patch, in 1989 is expected to carry over into 1990 thus boding well for the continuation of charter services offered by Coastal and Beluga. Cooper improved its financial position over 1988 and the carrier's contract with a major shipper

and charter work on the Liard River augurs well for 1990.

While NTCL continued to rely on community resupply for a stable revenue base, the significant increase in national defence and resource sector tonnage carried was instrumental in improving its financial position in 1989.

Events of Note

NEB approved natural gas export licence; alternative routes posed problems.

In a decision issued on October 19, 1989 the National Energy Board, following a public hearing in Ottawa and Inuvik, granted licences to Esso Resources Canada Ltd., Gulf Canada Resources Ltd. and Shell Canada Ltd. The licences will allow the companies to export, subject to certain conditions, a total of 9.2 trillion cubic feet of natural gas from the Mackenzie Delta to the U.S. over a 20-year period beginning in 1996. This decision could be a precursor to the construction of a natural gas pipeline from the Delta to Southern Alberta along the Mackenzie River, a development which would have an enormous impact in years to come on tug and barge operators in the system.

In the summer of 1989 the Government of the Northwest Territories contracted for a study for the development of a transportation strategy for the Northwest Territories. The study, to be completed in April 1990, is to focus on developing a detailed inventory of existing transportation infrastructure in the North, recommending projects to be undertaken and drafting a timetable for their completion.

Finally, alternative routes for the movement of freight, especially the Dempster Highway, pose a major threat to the future of barging in the Mackenzie system. Beginning in 1980, increasingly more freight has been diverted from the Mackenzie River to the Dempster each year with the diversion peaking in 1986 at some 27 per cent. It is estimated that the percentage of traffic diverted in 1989 once again approached that of 1986. The potential for even greater diversion to the Dempster grows as the highway improves. As well, the Beaufort Sealift (all water routing around Alaska) and the Inside Passage (water-truck routing using the Dempster) have themselves, in recent years, become more cost competitive alternatives and, in conjunction with the Dempster where truckers have imposed a rate ceiling, pose a real threat to traffic levels, level of service, and the continued viability of the Mackenzie's tug and barge operations.

Athabasca System

Areas of Operation and Level of Service

New carrier improved level of service to Fort Chipewyan.

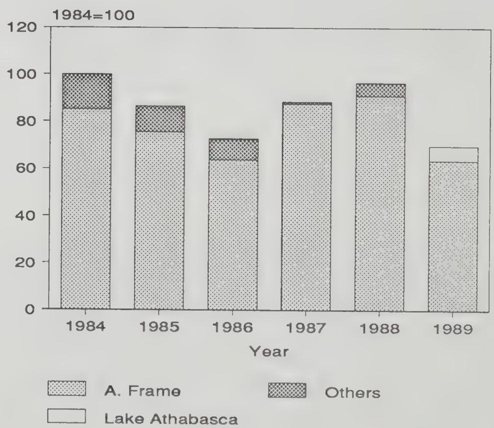
A. Frame again provided scheduled services to the communities of Fort Chipewyan, Uranium City, Fond du Lac and Stony Rapids. High water levels on the Athabasca River allowed the company to operate directly from its Fort McMurray terminal, rather than Fort McKay, throughout the 1989 season. Completion of the construction of the Saskatchewan Power Corporation's hydro line in 1988 led to a reduction in its sailings from 11 to 10. Lake Athabasca Transport, with a register tonnage equal to only 10 per cent of A. Frame's, operated an unscheduled service out of Fort McKay, making eight trips to Fort Chipewyan and three trips to Moose Island Landing.

Traffic

A. Frame's deck cargo dropped significantly.

With the completion of the hydro line, A. Frame's total traffic dropped by almost 30 per cent in 1989. This reduction resulted entirely from a decrease in deck cargo (50 per cent) as overall bulk fuel tonnages increased slightly (see Figure 6.7). Despite the licensing of Lake Athabasca Transport to Fort Chipewyan, freight carried by A. Frame to this

FIGURE 6.7: INDEXED TONNAGE CARRIED IN THE LAKE ATHABASCA SYSTEM 1984 – 1989



Source: Annual Commercial Water Carriers' Reports.

community registered a slight increase but still accounted for only 15 per cent of its total tonnage. However 1989 did see a substantial drop in the company's tonnage to Uranium City, Fond Du Lac and Stony Rapids (16, 45 and 40 per cent respectively).

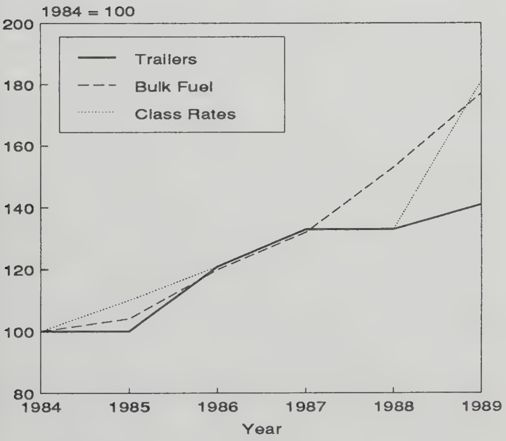
Compared to A. Frame, which specialized in the movement of full trailer loads, Lake Athabasca Transport carried a small proportion of available resupply tonnage. Tonnages handled by the latter were comparable to those carried by Cree Band in 1988 and included an array of less than trailer load and time-sensitive goods.

Tariffs

A. Frame instituted a major tariff increase.

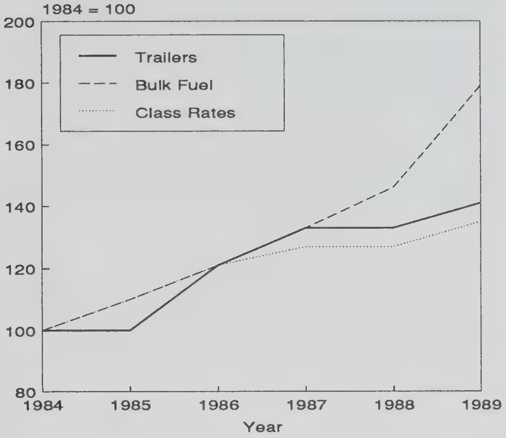
In 1988, a majority of users of marine resupply services indicated that they considered A. Frame's tariff excessive. Despite this view and in spite of two consecutive years of record tonnages, the company again in 1989 filed a general tariff increase with the Agency, including an increase in handling charges. As a result, commodity class rates rose by 36 per cent to Fort Chipewyan and six per cent to Fond du Lac and Stony Rapids. Rates for highway trailers also increased by six per cent to all communities while bulk fuel rate increases varied from nine to 22 per cent. Changes to the carrier's Fort Chipewyan and Stony Rapids freight rates, in indexed form, from 1984 to 1989, are illustrated in Figures 6.8 and 6.9.

FIGURE 6.8: INDEXED A. FRAME FREIGHT RATES TO FORT CHIPEWYAN 1984 – 1989



Source: NTA Tariff Files.

FIGURE 6.9: INDEXED A. FRAME FREIGHT RATES TO STONY RAPIDS 1984 – 1989



Source: NTA Tariff Files.

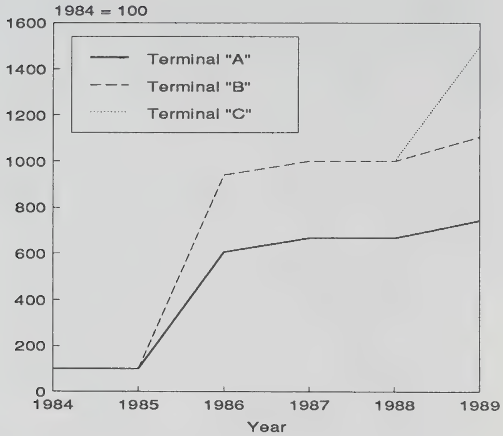
Terminal charges also jumped from 10 to 50 per cent depending on the commodity classification. In comparison, the Alberta and Saskatchewan consumer price indices (services) rose by 4.3 and 3.2 per cent respectively in 1989.

A. Frame also took the opportunity in 1989 to revise its tariff with a view to clarifying certain tariff charges or reclassifying others (i.e. terminal charges) and amending terms and conditions of carriage.

The Agency received no formal tariff complaints from Athabasca shippers in 1989. However, discussions with a number of these shippers at the end of the season indicated continuing concern with A. Frame's tariff levels. Particular areas of contention associated with the carrier's tariff included: the charges levied for the return of an empty trailer (which is slightly less than the cost of moving a fully loaded one); the classification, for rating purposes, of irregularly sized cargo; and the escalation of terminal charges (see Figure 6.10).

Lake Athabasca Transport's tariff rates were generally lower than A. Frame's for break bulk cargo.

FIGURE 6.10:
A. FRAME TERMINAL CHARGES



Source : NTA Tariff Files

Carrier Performance

A. Frame's revenues dropped while certain operating costs did not.

Improvements seen in A. Frame's financial position in 1987 and 1988 could not be maintained in 1989 due to a considerable drop in tonnage.

Tariff increases implemented by the carrier could not offset tonnage losses resulting in a 26 per cent decrease in revenues. Moreover the carrier's financial position may have been exacerbated by certain operating costs that did not drop in line with the decrease in tonnage.

On the other hand, Lake Athabasca Transport's first year of operations proved to be financially successful as it reported a profit.

Emerging Issue in 1989

Principal carrier requested operating subsidy and threatened reduction or withdrawal of service.

In 1989, the Athabasca's principal carrier made a number of overtures to the federal government regarding its provision of resupply services in future years. In addition to its request for an operating subsidy guaranteeing minimum annual revenues, which was turned down by the Minister of Transport, A. Frame voiced its opposition to the licensing of Lake Athabasca Transport in 1989 and threatened to considerably reduce or withdraw its service if the Agency again licensed the carrier in 1990. Such a position is based on the contention that existing tonnage levels and corresponding revenues available from the carriage of freight cannot support more than one licensed carrier in the system. This whole question cannot be disassociated from the issues of the level of competition and efficiency in providing resupply services in the Athabasca system.

Other Developments

Coast Guard ponders future role in system.

As part of the assessment of the continuing presence of the Canadian Coast Guard in the Lake Athabasca region, the Coast Guard's Western Region commissioned Clayton, Sparks & Associates to evaluate selected freight transportation alternatives including barging. The study, entitled "The Economic Evaluation of Freight Transportation Alternatives in the Lake Athabasca Region" was completed in 1989 and concluded that existing tug and barge services provided the most cost effective transportation alternative in the Lake Athabasca region in the medium term. The study also contends that "there is an immediate need to address the question of the sustainability of barge operations given that the principal carrier in the system has experienced considerable financial difficulty in recent years". At year's end, Coast Guard had begun work on a Memorandum to Cabinet which would make recommendations regarding its future role in the region.

The two provinces whose Athabasca communities are resupplied by marine services continue to differ in their approach to barge transportation. Saskatchewan, whose communities depend most on marine resupply, continues to provide unwavering support to the region's principal carrier, while Alberta sanctions the notion of competition particularly to its communities on the Lake.

CARRIERS' REACTION TO PART V

Mixed reaction to Part V.

Most carriers providing resupply services realized, in 1989, the benefits accruing from the issuing of indefinite rather than annual licences. The elimination of time, effort and costs associated with the yearly preparation of licence application forms was

considered to be a major attribute of the new legislation. As well, the security of indefinite licences has allowed carriers to enter into arrangements to provide longer term barging services.

In the Mackenzie system, NTCL reiterated that it was too early to assess the impact of Part V on its operations, and would make its views on the legislation known in the comprehensive review in 1992. Both Cooper and Coastal again expressed frustration with Part V, claiming that it has not had the expected effect, that is, providing them with the opportunity to compete more readily on the movement of regulated cargo.

In the Athabasca system, A. Frame expressed displeasure in 1989 that, given existing tonnage levels, the legislation would allow for the licensing of another carrier who, it claims, would provide competitive services and thereby threaten its continued viability.

USERS' PERSPECTIVE

Ratings registered slight improvement in Mackenzie; major improvement in Athabasca.

Shippers in the Mackenzie and Athabasca systems were again surveyed by the Agency at the end of the 1989 season regarding the quality and level of resupply service received from licensed carriers. The Agency received responses from communities, Indian bands, Arctic Co-operatives, companies doing business in the North, and the Federal and Territorial Governments. Of those responding, 84 per cent in the Mackenzie system and 85 per cent in the Athabasca system considered themselves to be regular users of licensed tug and barge services. Survey results also revealed that small, medium and large shippers were represented. Major findings are highlighted below.

Level of Service

There were no major changes in the general evaluation of marine resupply services by Mackenzie and Athabasca shippers in 1989. A large majority of Mackenzie respondents (80 per cent) and a majority of Athabasca respondents (65 per cent) reported little difference in service levels from 1988 to 1989 in their respective systems. Table 6.3 compares respondents' assessments of specific elements of levels of service in both systems in 1988 and 1989. The majority of shippers responding in the Mackenzie system rated carriers average to better-than-average in all areas. Except for flexibility, water carriers in the system were rated average to better-than-average on all other criteria slightly more often in 1989 than in 1988.

Contrary to 1988, Athabasca system carriers fared, on average, better than their Mackenzie counterparts in the opinion of users; they were rated significantly higher in 1989 on all aspects of the service they provided. Some improvement in A. Frame's ratings in 1989, combined with the high ratings achieved by Lake Athabasca Transport, who provided a resupply service for the first time in 1989, accounted for the changes in the overall ratings.

With reference to users' views on rates levied by Athabasca carriers, 83 per cent rated them adequate to very good in 1989 compared to just 38 per cent in 1988.

On-time performance replaced price/rate as the single most important element of carrier service to users in the Mackenzie system in 1989; in the Athabasca system price/rate still prevailed by a wide margin.

Freight Rates

According to survey results, just over one-half of Mackenzie shippers noted an increase in their general freight rates (compared to 35 per cent in 1988) while exactly one-half of them experienced an increase in bulk fuel rates in 1989 (same as in 1988).

In the Athabasca system, close to one-half of respondents reported higher general/containerized freight rates in 1989, down from 55 per cent in 1988. Increases in bulk fuel rates were reported by one-third of Athabasca shippers, up from 20 per cent in 1988.

When asked to describe general freight rate levels in the two systems, only 14 per cent of Mackenzie and 16 per cent of Athabasca shippers referred to them as excessive in 1989 as compared to 12 per cent and 59 per cent respectively in 1988. Rumours of the withdrawal of A. Frame's services in 1989 may have accounted for some major shippers' change of heart regarding their assessment of this carrrier's rates in 1989, when faced with the prospect of an expensive and unreliable winter road and cost prohibitive air transportation as their only other options.

Finally, only six per cent of Mackenzie respondents found bulk fuel rates to be excessive in 1989; in contrast, 44 per cent of Athabasca shippers described these rates in the same way in 1989. The latter figure reflects the reaction of bulk fuel distributors and users to A. Frame's substantial increase in its bulk fuel rates in 1989.

TABLE 6.3
Shippers' Assessment of Northern Marine Resupply Services

	Mackenzie Shippers						Athabasca Shippers					
	VG-G %		A %		P-VP %		VG-G %		A %		P-VP %	
Criteria	1988	1989	1988	1989	1988	1989	1988	1989	1988	1989	1988	1989
Frequency	45	40	44	56	11	4	46	42	31	53	23	5
Schedule	44	37	40	49	16	14	23	58	46	31	31	11
Payment of Claims	36	41	30	42	14	17	34	75	33	19	33	6
Flexibility	50	33	27	32	23	35	31	63	46	32	23	5
On-Time Performance	40	33	36	46	24	21	30	48	38	47	32	5
Price/Rate	40	26	44	62	16	12	23	50	15	33	62	17

VG - Very Good **G - Good** **A - Average** **P - Poor** **VP - Very Poor**

Source: NTA 1989 Survey of Users of Northern Marine Resupply Services.

Competition

Despite the fact that almost three-quarters of Mackenzie shippers and just over one-half of Athabasca shippers viewed themselves as captive to one water carrier in 1989, a majority of these same shippers in both systems indicated that there was no need for increased competition in water transport. Mackenzie users, as in 1988, cited insufficient tonnages and a need to support NTCL (provided rates are acceptable) as major reasons for their opposition. The 40 per cent of Mackenzie shippers favouring competition in 1989 did so in support of lower rates, improved service, increased frequencies and flexibility, better scheduling, improved carrier efficiency, and customer service. As well, some Mackenzie shippers felt that increased competition would provide them with a means of determining whether or not rates were fair and reasonable.

While a majority of Athabasca shippers supported increased marine resupply competition in 1988, this changed in 1989 to the point that 70 per cent of these shippers expressed a negative view toward increasing the number of carriers in the system. The change in Athabasca shippers' attitudes can be attributed, in part, to the commencement of operations by Lake Athabasca Transport in 1989 serving the community of Fort Chipewyan, thus providing an alternative to A. Frame's service.

Other Comments

While most users in the Mackenzie system were generally content with the marine resupply services they received from NTCL and others in 1989, some did, nevertheless, express concerns not raised in the 1988 survey. Concerns related to the general deterioration of service and the carrier's lack of accountability, and lack of flexibility and sensitivity regarding crating requirements, timing of shipment arrivals, response to damage claims, and pricing queries. Also raised were the need for carriers to provide pre-arrival notice to customers and the lack of information available to the public on NTCL's operations in the North. As well, some shippers indicated they would like to see improvements in the carrier's freight identification/classification procedures, in communications with customers and increased employment of locals. Other concerns noted by Mackenzie shippers in 1989 related to infrastructural impediments (such as piers, harbour dredging, loading and unloading facilities), adversely affecting the provision of marine resupply services.

Concerns voiced by some users in the Athabasca system in 1989 were similar to those raised in 1988; namely, the licensing of additional water carriers in the system and the effect of this on service levels, rate levels for general/containerized freight and bulk fuel, and the structure of A. Frame's tariff. In addition, users expressed concern over rumours of the withdrawal of the services of the principal resupply carrier in the system in 1990 and the limited transportation options presently available in the Athabasca region.

IMPACT OF PART V

Deregulation of national defence cargo thwarted by other factors.

Evidence suggests that 1989 was similar to 1988 in that regulatory reform ushered in by the *NTA, 1987* had little measurable impact on the provision of marine resupply services in the Mackenzie system (see box).

Neither carriers nor users of marine resupply services reported any major changes in operations or shipping proclivities that could be attributed to the implementation of Part V. Users, although familiar with barging operations in their respective systems, continued to be relatively oblivious to changes in the marine resupply statutes.

The Athabasca system experienced an increase in level of service in 1989 as a result of the Agency's licensing of Lake Athabasca Transport, replacing the somewhat erratic service of Cree Band, to provide a service complementary to that of the system's principal carrier; on the other hand, there was little change in service provided in the Mackenzie system from 1988 to 1989.

Changes in tariffs in the two systems followed the pattern established in 1988 when the principal carriers in both systems raised their rates.

NTCL

While NTCL has long dominated barging in the Mackenzie system with its substantial infrastructure, carrying capacity and its many years of experience in providing marine transportation in a northern environment, recent events have led to a further increase of its dominance.

Terms of the 1985 NTCL sales agreement effectively commit the Federal Government to the use of NTCL for the movement of resupply cargo (including national defence freight) to the North. As well, the Government of the Northwest Territories designated NTCL as the preferred carrier in meeting marine transportation needs in territorial government contracts. Provisions in the *Inuvialuit Final Agreement*, a native land claims settlement Act, also have the potential to increase NTCL's stranglehold on barge transportation in the Western Arctic.

While traffic volumes in the Athabasca system reverted to 1986 levels as a result of little construction activity in 1989, the Mackenzie system witnessed an increase in tonnage carried in 1989 due to a rebound in resource sector activity and construction associated with North Warning System sites in the Western Arctic.

Finally, although Part V deregulated the movement of resource sector and national defence cargoes, thus creating the potential for a modicum of competition among marine carriers in the Mackenzie system, the 1989 season saw only a further consolidation of NTCL's dominant position much to the chagrin of the other tug and barge operators.

GREAT LAKES PACKAGE FREIGHT

HIGHLIGHTS OF 1989

Continued Competition from Railway Confidential Contracts

During the Great Lakes navigation season, Woodlands Marine competes directly with rail services for forest product traffic from Thunder Bay to lower Great Lakes ports. Downward pressure on freight rates quoted by Woodlands Marine has been exerted since 1988 by rail confidential contracts.

Closure of Waferboard Mill in Thunder Bay Reduces Tonnage

The closure of the MacMillan Bloedel waferboard mill in Thunder Bay in 1988 resulted in a decrease in available cargo originating in the Thunder Bay area in 1989.

INDUSTRY STRUCTURE

Woodlands Marine continued to be the only common carrier in package freight operations on the Great Lakes.

The repeal of the *Transport Act* as of January 1, 1988 eliminated the licensing requirement for package freight operators on the Great Lakes. Movements of bulk commodities, such as iron ore, grain and coal, which account for over 99 per cent of tonnage moved on the Great Lakes, were never licensed under the *Transport Act* and are therefore not included in the scope of the Agency's monitoring exercise.

Woodlands Marine remains the only common carrier in this trade. Other marine carriers operate in the Great Lakes package freight trade but only under exclusive contract to specific shippers.

PACKAGE FREIGHT OPERATIONS

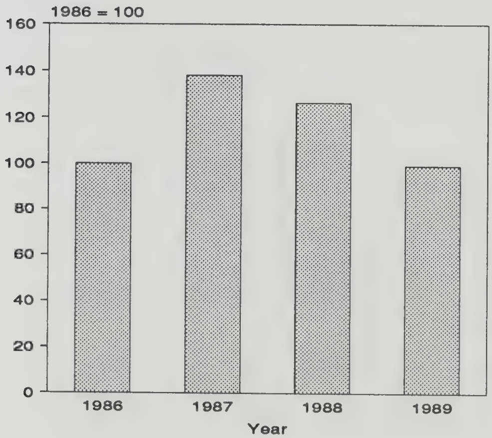
Traffic, Level of Service and Tariffs

Total tonnage dropped, level of service decreased slightly, and tariff levels remained unchanged.

Total freight tonnage moved by Woodlands Marine declined from 1988 to 1989 (see Fig 6.11). The major gains in northbound tonnage in 1989 only partially offset the tonnage reductions experienced in the southbound trade. Closure of the MacMillan Bloedel waferboard mill in late 1988 and a general softening of, and competition in, the lumber markets accounted for the overall reduction. Northbound cargo consists primarily of ro-ro cargo, vehicles, and palletized manufactured goods while forest products such as newsprint and lumber are the mainstay of Woodlands Marine's southbound trade.

Woodlands Marine made a total of 17 round trips between Thunder Bay and Windsor in the 1989 shipping season, down slightly from 20 trips in 1988. This reduction in the level of service is attributed to the drop in available tonnage from the Thunder Bay mills and the unusually early onset of winter weather conditions on the Lakes.

FIGURE 6.11: INDEXED PACKAGE FREIGHT MOVEMENTS BY WOODLANDS MARINE INC. 1986 – 1989



Source: Woodlands Marine Inc.

Pressure from Canadian and U.S. rail services forced Woodlands Marine to maintain its 1989 tariffs at 1988 rate levels for most of its forest products. Lumber freight rates for Thunder Bay shippers in 1989 were lower than in the early 1980's as a result of the competition among modes.

Carrier Performance

Woodlands Marine strived to maintain 1988 revenue levels in 1989.

The drop in tonnage, combined with the inability of Woodlands Marine to raise rates due to price competition from the railways, adversely affected revenues in 1989. Increased revenues from northbound tonnage only partially offset reduced revenues from lower lumber and waferboard shipments. As a result, 1989 saw some erosion of financial gains made by Woodlands Marine during the 1988 navigation season.

Year End Development

Woodlands Marine looks to improve operations in 1990.

At season's end Woodlands Marine was reassessing its operations for the 1990's including the type of equipment used in the trade.

INTERMODAL SERVICES

STRUCTURE OF INTERMODAL SERVICES

Intermodal freight transportation is usually associated with inter-city movements of highway trailers or containers on rail flatcars. But in this section, intermodal transportation activities refer to any merchandise traffic which combines more than one mode for its actual pick-up and delivery.

Under such a broad definition, roughly 40 per cent of Canada's external trade can be classified as intermodal traffic -- part of Canada's transborder trade and all of its off-shore trade. Intermodal services are also used in domestic trade.

To handle Canada's trade traffic with other countries, ports and airports have to be fully-integrated intermodal transportation and distribution centres. This requires not only good marketing, but also state-of-the-art equipment and procedures, efficient surface transportation linkages, and geographical advantages. Handling time and switching costs are other key efficiency factors in intermodal operations.

For transborder and domestic intermodal operations, rail intermodal terminals located in major urban centres make it possible to combine rail services between hubs with highway pick-up and delivery. For traffic such as steel and lumber, rail/truck transfer and reload terminals are used.

The integration of services between different transportation modes is becoming increasingly important to satisfy the needs of Canadian shippers. The development of total transportation packages, integrating the services of two or more modes of transportation, capitalizes on the relative strengths of each mode; improves service; minimizes total logistic costs; and maximizes efficiency and flexibility for shippers and users.

Use

Over one-third of the shippers surveyed by the Agency in 1989 reported using intermodal services to move, on average, approximately one-fifth of their traffic. The

survey showed that intermodal services were used by both large and small shippers and further identified an average 2.6 per cent growth in intermodal shipments in 1989, the second largest modal increase after trucking (3.7 per cent).

Not surprisingly, truck-rail intermodal services dominate the Canadian intermodal system in both domestic and transborder shipments. The importance of the United States in Canada's trading activities also accentuates the importance of truck-rail intermodal services. For Canada's off-shore trade, the intermodal combinations used by shippers to satisfy their needs were truck-marine, truck-rail-marine, and rail-marine.

Almost half of the shippers surveyed in 1989 made their intermodal arrangements directly with carriers; about 40 per cent used intermediaries, while the others used a mix of the two approaches.

Interviews with motor carriers revealed that one-third of the carriers participating in intermodal activities were looking after their own arrangements. Most of the remaining two-thirds said their participation in intermodal activities was requested by either a shipper, a rail carrier, an ocean carrier, an air carrier, or a combination of carriers.

Importance In Carriers' Activities

Container traffic represented 7.1 per cent of the traffic going through Canada's major ports in 1989, or 12.4 million tonnes. In 1979, container traffic accounted for only 4.5 per cent of the total port traffic.

In 1989, CN and CP handled approximately 60 per cent of port container traffic. Rail shipments of containers still do not make up a significant portion of total railway tonnage (five per cent), but are nonetheless increasing marginally. Combined rail shipments of all intermodal traffic, including containers, piggyback and trailers, accounted for over seven per cent of total rail tonnage in 1989, an increase from five per cent in 1984.

The Agency's 1989 motor carrier interviews revealed that 55 per cent of sampled carriers provided intermodal services. These carriers were based mainly in Atlantic and central Canada, and reported that intermodal shipments averaged 10 per cent of their total activities. More than one-half of the carriers participating in intermodal activities operated fleets of less than 100 tractors, while 25 per cent of them had fleets of over 200 tractors. Interview results also indicated that 40 per cent of motor carriers based in both Western and Atlantic Canada, who participated in intermodal operations, reported increases in the total volume of their activities. This proportion was 31 per cent for carriers based in central Canada.

Coming back to the broad definition of intermodal services, most of the 174 million tonnes of traffic moved in 1989 to and from ports under the authority of Canada Ports Corporation (compared to 186.8 million tonnes in 1988 -- a record year) was resource-based, and handled in bulk. When this traffic is related to cargo carried on Canadian railways, close to two-thirds of coal traffic, 80 per cent of sulphur traffic, 50 per cent of the potash traffic, 80 per cent of grain traffic, and over 60 per cent of iron ore traffic moved through Canadian ports. In addition, significant volumes of lumber, and pulp and paper shipments also moved by rail through Canadian ports.

Equipment - Facilities - Services

Containerization is a growing phenomenon in both international and domestic trade.

Rail services play an important role in the surface transportation of marine containers in Canada, providing medium-to-long-haul transportation between ports and inland terminals. The growing importance of container traffic led to some major service innovations/decisions in 1989.

- CP Rail placed into service its first set of platform spine cars, an alternative to double-stack cars to handle ISO (International Standards Organization) containers to and from Eastern Canada.
- CN put into service a fleet of 30 high cube reefer trailers which meet the high or low temperature needs of moving freight, and announced expenditures of $17 million towards articulated flat cars for intermodal service.
- CN announced its decision to construct a new $19 million intermodal terminal at Port Mann, aimed at improving CN's container capabilities and ensuring the capture of a greater share of Canada's growing container trade with the Pacific Rim.
- CP Rail announced plans for construction of a $29 million intermodal terminal in the Town of Vaughan, northwest of Toronto.
- In February, CN introduced the first domestic scheduled double-stack container train service in Canada, linking Toronto and Vancouver. The service became unwarranted and was discontinued in August.

- In March, "K" Line, a leading Japanese marine carrier, introduced, through Rail-Bridge Corporation, a weekly double-stack train service from its marine terminal at Tacoma, Washington to Lacolle, Quebec. This service complements the shipping line's double-stack service to Welland, Ontario, which has been in operation since July 1988. It uses the same railway routing in the U.S. as Maersk Line's double-stack service into Canada, which was first introduced in April, 1988. Since August, Maersk's service has used CN from Buffalo, New York to provide the service to Toronto and Montreal.

Shippers were asked to compare their 1989 and 1988 experience with intermodal services in terms of various service factors. Service factors for which a significant proportion of intermodal shippers reported improvement were: carriers' cooperation (31 per cent), equipment supply (28 per cent), transit time (26 per cent), service frequency (23 per cent), shipment tracing (22 per cent), and equipment condition (20 per cent).

According to shippers, intermodal unit freight costs increased both domestically and internationally on average by 2.8 per cent and two per cent respectively, an increase not significantly different from those identified in other modal freight activities. Marginally higher percentage increases were reported by shippers dealing through intermediaries for their intermodal shipments.

COMPETITION

Intermodal services are highly competitive. The rail-truck intermodal services, which offer the long-haul benefits of rail with the flexibility of truck pick-up and delivery, must be competitive with single-mode services. Aside from the cost of providing the service, competitiveness is assessed in terms of frequency and quality of service, transit time, handling of freight, equipment condition and supply, and shipment follow up and tracing.

The following comments from port terminal operators illustrate the importance of logistics and competitive forces on intermodal operations:

> "The freedom to move has meant that many shippers are now actively searching alternative transportation modes."

> "On the rail side, the new legislation, specifically with respect to rail rate pricing and competitive access,... has given the terminal freer access to American (U.S.) producers... This freer access and increased competition has made the Port a more viable route for certain U.S. origin (traffic)."

> "Confidential contracts which can be tailored to a specific movement have included incentives for higher volumes per train and quicker equipment turnarounds... (S)cheduling of operation must now consider the heavier penalties associated with non-rail delays to trains."

> "(C)ontainerized traffic... the fastest growing... of all cargoes at the port,... is subject to the greatest degree of competition from other port routings, particularly from the United States."

The competitiveness of intermodal activities is tied to logistical considerations. Shippers utilizing intermodal services will route their traffic in the most efficient manner to meet competitive forces. With the globalization trends observed in the world economy, the competitiveness of any transportation activity -- be it an intermodal or a single mode activity -- is dictated by factors beyond territorial boundaries.

The competitiveness of Canada's national transportation system is essential to meet international competition. For transportation, globalization translates into pressure to reduce costs and to rationalize operations in order to achieve greater productivity and a higher level of efficiency in transportation operations.

TRANSPORTATION SERVICES FOR PERSONS WITH DISABILITIES

One Person/One Fare Issue

In 1988, the Agency circulated a notice concerning fares for assistants to persons with disabilities, and additional seats required by disabled/obese persons. The notice initiated discussions with interested parties about the possible creation of regulations permitting assistants to persons with disabilities to travel free of charge, and for disabled/obese passengers to occupy additional seats without charge.

In 1989, a number of factors, including the various economic aspects of the proposals, were analysed. This work was carried out in preparation for an Agency decision. The issues under review were whether air fares charged to assistants to persons with disabilities, and charges for additional seats required by the disabled/obese constitute undue barriers to travel.

Terms and Conditions of Carriage

Based on reactions to the Agency's notice, issued in 1988, on proposed regulations on the terms and conditions of carriage of persons with disabilities on domestic air services, regulations were drafted and approved by the Agency. During 1989, these regulations were submitted to both the Office of Privatization and Regulatory Affairs, and to the Privy Council Office for review and approval. When adopted, these regulations will confirm the rights acquired under the old legislation (*NTA, 1967*) for travellers with disabilities, and will permit the adoption of a first set of accessibility standards for air transportation.

Regional Workshops

During 1989, three regional workshops on accessibility to transportation facilities for blind or visually impaired persons were presented in Montreal, Toronto and Edmonton. Terminal operators, carriers, users with visual disabilities, rehabilitation professionals, service

organizations, and government officials were informed of the needs of this specific group of travellers. Possible solutions to a variety of issues were discussed.

Accessibility Standards Advisory Committee

A special advisory committee, composed of officials from transportation carriers, organizations of and for persons with disabilities, and government departments and agencies, was formed to assist in the development of accessibility standards pertaining to transportation equipment.

Coordination with the Canadian Human Rights Commission

The Agency and the Canadian Human Rights Commission are coordinating their activities relating to transportation services provided to persons with disabilities.

Issues Identified/Resolved

The Agency has initiated an investigation of charges, and terms and conditions applied by air carriers for in-flight use of oxygen equipment. Since the investigation, Air Canada now makes advance arrangements for the use of oxygen from one airline to another, while Canadian Airlines International has abandoned its per sector price structure for oxygen, resulting in substantial savings on some routes.

Accessibility for travellers with disabilities on ferry boats was addressed, focusing on Northumberland Ferries Ltd.

Following representations by the Agency, Air Canada, Canadian Airlines International, and Wardair removed charges for the carriage of kidney dialysis machines to certain destinations.

Survey of Carriers

A multi-modal questionnaire was distributed to carriers to gather information about services made available to travellers with disabilities.

Results indicated that most carriers offered special safety-related services to travellers with disabilities such as personal briefings on safety features of the equipment, and special evacuation procedures. Boarding and vehicle accessibility were not major service problems from a carrier's perspective. Major air carriers offer special training to their employees to address the needs of persons with disabilities, but few small air carriers offer similar training to their personnel. The results also highlighted the lack of information provided in alternative media for travellers with disabilities, as well as discrepancies in the terms and conditions of carriage for persons with disabilities.

Carriers expressed concerns over potential medical emergencies occurring during the course of a flight.

In general, air carriers felt that government policy or direction was not needed. Air carriers believed they could function well enough on their own and look after the concerns of all passengers, including passengers with disabilities.

Brochure Detailing the Powers of the Agency

A brochure entitled *Room to Move - Improving Access for Travellers* explains the powers provided to the Agency by the July 1988 amendments to the *NTA, 1987.* The brochure was distributed to carriers, associations and organizations of and for persons with disabilities.

SAFETY

The *NTA, 1987* contains the National Transportation Policy which places safety as one of the top policy objectives in all forms of transportation. Because the review mandate requires the Agency to consider this policy, the following section of the report presents a brief overview of the 1989 safety record of transportation activities.

AIR SERVICES

The accident rate for commercial air carriers remained essentially unchanged from 1988.

Safety aspects of Canada's air transport industry are governed primarily by the *Aeronautics Act.* Comprehensive amendments to this legislation made in 1985 were designed to provide continuing high standards of airline safety well into the next century. In addition, the *Canadian Aviation Safety Board Act* of 1984 established an independent agency to investigate civil aviation occurrences and make safety recommendations.

Canadian Aviation Safety Board preliminary statistics show that while accidents involving Canadian-registered commercial aircraft increased in 1989, the accident rate (accidents per 100,000 hours flown) remained essentially unchanged from 1988. Canada's Level I carriers (Air Canada, Canadian and Wardair) achieved a perfect record of no accidents in 1989. This was the sixth consecutive year in which there were no fatal accidents among the Level I carriers.

The number of fatal accidents involving Canadian commercial aircraft decreased in 1989 compared to 1988, but the number of fatalities increased. The higher number of fatalities in 1989 was primarily due to one accident at Dryden, Ontario where 24 people lost their lives. The 82 fatalities in 1989 are 17 more than the annual average of 65 observed in the 1980's.

Canadian Aviation Safety Board regulations also require that certain categories of incidents, (aviation occurrences other than accidents), be reported to the Board. In 1989, the Board received 637 mandatory reports involving Canadian aircraft, an increase of five per cent from 1988. The Board initiated investigations

into about 100 incidents, in addition to investigating over 500 accidents.

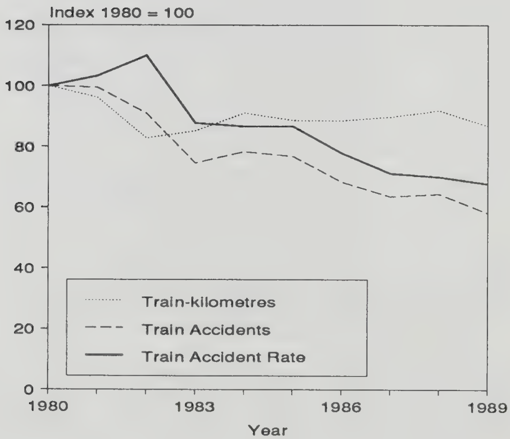
Data on aviation accidents and incidents are continually monitored by the Board in order to analyse trends and warn of possible problem areas that might compromise aviation safety in Canada. This monitoring has resulted in the Board undertaking a number of special studies and investigations in order to identify safety deficiencies and recommend corrective action. The new *Canadian Transportation Accident Investigation and Safety Board Act* of 1989 makes specific provision for this role.

RAIL SERVICES

Despite a reduction in the train accident rate, there was an increase in the number of fatalities during 1989.

The legislation governing rail safety in Canada was introduced in 1989. As a result, the jurisdiction over railway safety will shift to the new Canadian Transportation Accident Investigation and Safety Board. However, in 1989, the National Transportation Agency was responsible for investigating rail and pipeline accidents.

FIGURE 9.1: TRAIN ACCIDENT RATE (TRAIN ACCIDENTS PER TRAIN-KILOMETRE)



Source: Railway accident information reported to the Agency

According to preliminary 1989 Agency data, the total number of train accidents decreased by 6.8 per cent. A 17.7 per cent reduction in train accidents at terminals, and a seven per cent decline in crossing accidents were the main reasons for the improvement in the accident rate.

This reduction in the number of train accidents was offset by an increase of 11.9 per cent in main line derailments; main line collisions remained relatively constant.

In 1989, there were 6.2 train accidents per million train-kilometres travelled compared to 6.3 in 1988. Figure 9.1 illustrates the train accident rate and provides a comparison of train accidents to train kilometres travelled.

Despite the reduction in accidents, the number of fatalities in 1989 resulting from train accidents was 91, or 52 per cent higher than the 60 fatalities reported in 1988. Virtually all these fatalities occurred at grade crossings.

TRUCKING SERVICES

Transport Canada issued the first of six annual reports on commercial vehicle safety.

The *MVTA, 1987* requires that an annual study must be produced which documents progress in the implementation of safety rules and standards. The study must also report on trends in highway accidents in Canada involving motor vehicles operated by extra-provincial companies. The first statutory report, for the year 1988, was released by Transport Canada at the end of 1989.

The report notes that the National Safety Code, made up of 16 standards (Table 9.1), was approved by the federal, provincial and territorial governments. All the provinces and territories agreed to implement them, with a few exceptions: Alberta has opted out of trip inspections; Newfoundland and Prince Edward Island of self-certification; Saskatchewan and Quebec of first aid; and Ontario, Nova Scotia and Prince Edward Island of short-term suspension. These exceptions, according to the report, will not diminish in any way the effectiveness of the code.

The implementation of National Safety Code standards is the main indicator of safety progress used in the report. Standards related to driver licensing were fully implemented at the beginning of 1988 and, by year's

TABLE 9.1
National Safety Code Standards

Standards	Description
Carrier/driver profile	Identification and safety record
Classified licence	Drivers licensed for type of equipment driven
CVSA	Commercial Vehicle Safety Alliance, on-highway driver/vehicle inspection
Examiner training	Standards for driver examiners
Facility audit	Carrier record keeping for inspection at terminal
First aid	Standard course for drivers
Compliance reviews	Applicant/carrier compliance with fitness criteria
Hours of service	Limitation of driving hours
Knowledge test	For each class of driver licence
Load security	Requirements for securing cargo
Medical standards	Minimum standards for drivers, periodic re-examination
Self-certification	Carrier-run driver training
Single licence	A driver may not hold more than one Canadian licence
Suspension	Criteria for immediate 24-hour driving suspension
Vehicle maintenance	Minimum criteria for maintenance of vehicle components
Trip inspection	Driver inspection of vehicle before and after use
Interprovincial record exchange (IRE)	A computer link for exchanging driver/carrier profile information. The IRE is not a NSC standard, but is a vital tool for safety enforcement, and is included in the NSC funding agreements.

Source: Transport Canada, *Commercial Vehicle Safety in Canada*, Report to Parliament for the Year 1988, December 1989.

end, all jurisdictions except the Northwest Territories had at least one-half of the standards in place. Full implementation in all jurisdictions was originally anticipated for 1989; however, as a result of slippage on certain elements in some jurisdictions, full implementation is not expected until late 1990. According to the report, the hours-of-service standard is the most complex and controversial issue and the only one subject to both federal and provincial regulation.

With respect to highway accident trends, the report presented statistics covering the period from the early 1970's up to 1987, the year prior to regulatory reform. Based on the data presented, the report stated that, "It seems safe to conclude there has been a fundamental improvement in safety since 1973." However, due to incomplete data, extensive conclusions on trends in commercial vehicle safety were not drawn. A format for reporting motor vehicle accidents across jurisdictions has been developed and should lead to greater uniformity of data between jurisdictions in future years.

MARINE SERVICES

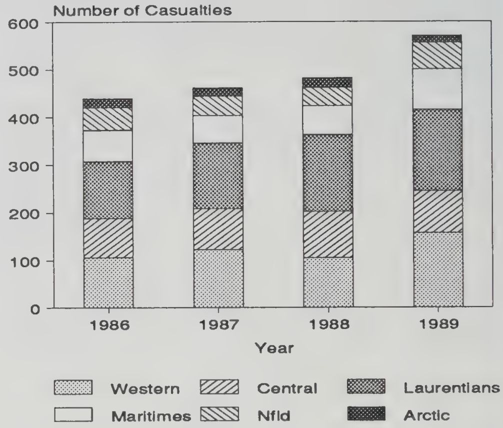
Marine safety record improved in 1989.

Canadian marine safety comes under the purview of Transport Canada, which administers the *Canada Shipping Act* and the *Arctic Waters Pollution Prevention Act*. Also, the *Dangerous Goods Act* empowers the Canadian Coast Guard to make and enforce regulations with respect to marine safety for both domestic and foreign carriers navigating in Canadian waters. Neither the coming into force of the *NTA, 1987* and the *SCEA, 1987*, nor the repeal of the *Transport Act* have modified existing safety provisions set down in those statutes.

Excluding fishing vessels, figures compiled by Transport Canada's Marine Casualties Investigations Group showed that marine casualties in the Western Arctic and Mackenzie River region decreased by 41 per cent: from 17 in 1988 to 10 in 1989. Four of these incidents occurred because of heavy ice conditions, and in three cases the vessels were holed. The remaining occurrences were the result of grounding, on-board explosions, and a two-vessel collision; all resulted in minor damage. None of the vessels involved in the above were owned or operated by northern marine resupply carriers licensed by the Agency.

The only carrier operating in the package freight trade on the Great Lakes reported no casualties for the third consecutive year.

FIGURE 9.2: REPORTED MARINE CASUALTIES BY CANADIAN REGION



Note: Excludes fishing vessels

Source: Marine casuality investigations

EMPLOYMENT

LEVEL OF EMPLOYMENT

The 1989 growth in transportation employment matched an overall rise in employment throughout the economy.

In 1989, transportation employment in Canada increased by 2.2 per cent over the previous year's level, an increase in line with the overall 2.3 per cent rise in employment throughout the economy. Transportation employed over 471,000 persons in 1989. Air, rail, water and trucking activities, which are under the Agency's review mandate, accounted for 60 per cent of the workforce. Employees in the remaining 40 per cent are employed in other activities such as bus transportation, urban transit, taxicab operations, pipeline transport, highway and bridge maintenance, or miscellaneous services incidental to transportation.

Of the four modes of transportation under review, only rail reported a reduction in employment for 1989. This reduction is in line with the long-time downward trend of employment in this sector.

For air services, a 7.7 per cent increase in employment was reported in 1989. This significant growth rate matched the 1988 rate (7.8 per cent) and appears to indicate that layoffs by some carriers in 1989 were offset by greater labour needs in air transportation operations generally.

After a decrease in 1988, employment in water transportation services increased in 1989 by 11.1 per cent, mostly due to expanded activities at major east and west coast ports. In northern marine resupply operations, most carriers reported no change in employment levels.

In trucking, employment rose 1.9 per cent compared to a 2.5 per cent increase in 1988.

Interesting trends are emerging in transportation employment. The early 1980 recession affected transportation employment levels a year before this economic slowdown affected the overall employment level. The post-recession recovery in employment levels was not sustained in transportation as it was in the economy generally. In fact, declines in total

transportation employment levels occurred between 1984 and 1987. Over these four years, only air transportation activities underwent continuous employment growth, while in trucking declines were observed in 1986 and 1987. Despite the recent growth in trucking employment, its 1989 level remains below the pre-recession level. A similar situation exists in the water transportation sector.

In 1989, declines in transportation employment were noted in Prince Edward Island, Ontario and Saskatchewan which were experiencing slowdowns in economic activity. For the third year in a row, employment in Ontario trucking services declined while Alberta suffered a fourth year of declining trucking activity. Trucking employment in 1989 reached record levels in New Brunswick, Quebec, Manitoba and British Columbia. In air services, employment levels rose in all provinces except Nova Scotia. However, Nova Scotia as well as British Columbia and central Canada benefitted from increased employment in water transport services. Employment levels in rail declined in all regions.

WAGE SETTLEMENTS AND EARNINGS

In transportation, wage settlements and increases in average weekly earnings were lower than the national average.

Overall, average weekly earnings increased by five per cent in 1989; the increase was 3.6 per cent in the transportation modes. Average weekly earnings in the transportation modes increased by less than the national average: 4.9 per cent in rail, 3.9 per cent in trucking and 3.3 per cent in air services. Water transportation was the exception and grew 6.5 per cent.

The most significant rise in transportation earnings was a 10.3 per cent increase in Nova Scotia, followed by New Brunswick and Manitoba at 4.9 per cent, Alberta at 4.2 per cent, and British Columbia at 4.1 per cent. The lowest increases were in Newfoundland at 0.6 per cent and Quebec at 1.1 per cent while all other provinces reported increases ranging between 2.0 per cent and 3.6 per cent.

Increases in average weekly earnings do not necessarily reflect wage settlements as overtime pay is included in earnings figures. In 1989, collective bargaining activities, leading to settlements, were predominant in the rail sector. These settlements were three-year agreements, covering 1989, 1990 and 1991, which provided annual wage increases of 4.5 per cent, 4.0 per cent and 4.5 per cent respectively to operating, maintenance and non-operating rail employees. Partial indexation of pension benefits as well as improvements in other benefits were also provided. The negotiated agreement for trainmen has a no-layoff provision as a direct result of the operation of cabooseless trains. Trainmen or yardmen eligible for early retirement are entitled to a separation allowance until the age of 65. Some 1,500 employees of Ontario Northland Railway also signed a similar three-year agreement.

As for water transportation, a 31-month agreement, with wage increases in excess of five per cent, covering unlicensed personnel of the Council of Marine Carriers (Pacific Coast) became effective March 1, 1989. Longshoremen, clerical and general workers of Marine Atlantic Inc. signed a three-year contract terminating December 31, 1991. In this particular settlement, the number of bargaining units was reduced from 10 to three, allowing consolidation of hourly rates and working conditions.

In trucking, some 1,500 employees of Canadian Pacific Express and Transport (Canpar Division) signed a 36-month renewal agreement effective from May 1, 1989 to April 30, 1992. After a three-day work stoppage in March, the Motor Transport Industrial Relations Bureau of Ontario reached a three-year agreement covering 1,800 drivers, maintenance, and other employees in Ontario and Quebec. The agreement provides average annual wage increases of 5.2 per cent for hourly employees and 6.5 per cent for skilled mechanics.

A number of important collective agreements in the transportation sector either expired or will expire in 1990. The most important are:

Air Canada: pilots, finance employees, flight attendants, service and maintenance employees, sales and service branch employees;

Canadian Airlines International: aircraft maintenance employees, flight attendants, service and maintenance employees, accounting, administration and information service employees, passenger agents;

Motorways Ltd: warehouse employees, drivers and other employees;

Canadian Pacific Express & Transport: warehouse employees, drivers, mechanics, clerks and longshore employees of the Maritime Employers Association.

The number of collective bargaining agreements is one indicator of prevailing management-labour relations.

The transportation case load of the Canada Labour Relations Board can be used as another barometer of management-labour relations. The Board is a quasi-judicial tribunal which administers, interprets and applies the industrial relations provisions of the Canada Labour Code. In 1988-89, the Board's transportation case load was average with the exception of an increase in unfair labour practice complaints from the road transport sector. However 109 of the 170 complaints involved two parties: C.P. Express and Transportation-Communications International Union.

STRIKES AND LOCKOUTS

Turning to strikes and lockouts, the number of transportation cases reported in 1989 was in line with previous years, with the exception of rail and truck services. Yet the number of workers involved and person-days not worked as a result of strikes and lockouts was down. The most significant strikes and lockouts reported in 1989 in rail occurred at Devco Railway, B.C. Rail, and Southern Railway of B.C.; in trucking, at Asselin Transport Ltee, Transport Eudide Asselin Inc., Ste-Anne Express, Motor Transport Industrial Relations Bureau of Ontario, Hutton Transport Ltd., Lake Ontario Cement, Cushman Cartage & Float Inc., Koch Transport Ltd., Northern Industrial Carriers Ltd., Phil Hall Ltd., Alltrans Express Ltd. (Div. TNT Canada), and XTL Transport Inc.; in air, at Airconsol Aviation Services Ltd., Eastern Airlines and Metropol Airport Security Services; in water transport, at the Port of Saint John, Gravel and Lake Services Ltd. (Thunder Bay), and Government of Canada (Ships' Crews).

After two years of deregulation, parties appear to be settling labour-related matters in ways which avoid win/lose situations that make it difficult to mend relationships afterward. The year 1990, however, will be important for the air transport industry as numerous labour contracts are up for renegotiation.

Percentage Increases in Consumer Prices, Wage Settlements and Weekly Earnings

	Wage Settlement Increase			Average Weekly Earning Increase	
	Consumer Price Index	Transportation and Communication	All Industries	Transportation	All Industries
1989	5.0%	4.5%	5.3%	3.6%	5.0%
1988	4.1%	3.6%	4.3%	5.5%	4.7%
1987	4.3%	3.1%	4.1%	3.5%	4.0%
1986	4.0%	3.3%	3.5%	2.8%	2.7%

Source: Labour Canada and Statistics Canada

Employment and Earnings

Year	Air Employment	Air Average Weekly Earnings*	Rail Employment	Rail Average Weekly Earnings*	Trucking Employment	Trucking Average Weekly Earnings*
1989**	64,136	657	72,695	733	117,392	529
1988	59,530	636	76,743	699	115,234	509
1987	55,242	606	79,983	664	112,400	474
1986	55,302	589	88,880	621	112,659	449
1985	53,899	576	92,094	585	114,507	449
1984	53,334	569	96,659	572	111,409	431
1983	49,540	561	95,948	533	100,029	415
1982	50,366	563	102,190	465	108,979	373
1981	52,132	508	111,710	412	121,864	345
1980	51,741	439	113,520	375	124,848	317
1979	48,286	386	119,228	330	110,204	297
1978	44,336	351	116,620	304	107,915	276

* : In current dollars
** : 1989 figures are preliminary
Source: Statistics Canada

Strikes and Lockouts

Year	Air Cases A	Air Cases B	Air Workers Involved A	Air Workers Involved B	Rail Cases A	Rail Cases B	Rail Workers Involved A	Rail Workers Involved B	Truck Cases A	Truck Cases B	Truck Workers Involved A	Truck Workers Involved B
1989	3	–	187	–	4	–	444	–	11	1	1,095	1,716
1988	3	1	476	540	–	1	–	3,000	5	–	214	–
1987	3	1	630	8,300	–	1	–	48,660	3	–	92	–
1986	4	2	177	3,683	1	–	102	–	4	–	73	–
1985	6	4	194	12,439	–	–	–	–	6	–	79	–
1984	3	–	125	–	–	–	–	–	5	–	366	–
1983	4	–	478	–	1	1	245	1,320	12	–	465	–
1982	5	–	799	–	–	–	–	–	8	2	482	4,500
1981	7	1	1,161	600	–	–	–	–	9	1	1,024	750
1980	9	–	560	–	4	1	385	2,000	10	–	904	–
1979	3	1	527	1,154	1	2	140	2,683	9	2	865	3,250
1978	5	2	500	8,050	8	4	1,271	6,145	12	–	766	–

A: Firms under 500 workers
B: Firms over 500 workers
Source: Labour Canada

Water Transport		Transportation		All Other Sectors	
Employment	Average Weekly Earnings*	Employment	Average Weekly Earnings*	Employment	Average Weekly Earnings*
26,972	720	471,212	576	10,343,447	487
24,285	678	460,840	556	10,106,900	464
25,033	654	455,200	527	9,945,658	443
28,730	607	477,299	509	9,705,524	426
27,651	601	478,701	495	9,512,424	415
28,049	573	473,693	479	9,142,361	401
29,702	559	463,962	462	9,029,775	385
32,458	509	488,757	423	9,457,553	361
35,884	455	515,820	379	10,061,479	328
35,848	407	520,295	338	9,850,293	293
33,836	378	504,114	304	9,744,701	266
34,553	342	497,277	280	9,473,176	245

Water Transport			
Cases		Workers Involved	
A	B	A	B
3	1	227	2,300
2	3	234	5,500
4	1	691	750
5	1	746	4,280
1	–	78	–
–	–	–	–
3	–	146	–
2	1	157	3,500
5	–	206	–
10	2	1,435	2,050
13	3	1,662	5,750
10	1	495	780

Regional Distribution of Transportation Employment in 1989 (preliminary)

Province	Number of Workers	Percentage
Newfoundland	7,415	1.5
Prince Edward Island	2,026	0.4
Nova Scotia	13,135	2.8
New Brunswick	12,534	2.7
Quebec	115,442	24.5
Ontario	155,892	33.1
Manitoba	28,325	6.0
Saskatchewan	13,469	2.9
Alberta	51,628	11.0
British Columbia	68,933	14.6
Total	471,212	

Source: Statistics Canada

THE AGENCY'S SECOND YEAR

This section of the report addresses a specific aspect of the review mandate: "the time required to deal with any application, complaint or other matter referred to the Agency under any Act of Parliament".

Information about the Agency's workload in 1989 is reported according to three main line functions: licensing, dispute resolution processes, and rail rationalization. Applications for review are also examined.

LICENSING MATTERS

Air Licence Applications

The Agency received 41 applications for authority to operate new or amended air services in southern Canada, and four applications were carried over from 1988. Two applications were returned to the applicant. Of the 37 applications dealt with in 1989, 83 per cent were completed within 30 days while 17 per cent took between 30 and 47 days. Of the 24 applications to suspend or cancel licences authorizing services in southern Canada, almost one-half (46 per cent) were completed within 30 days, and all were completed within 63 days.

The Agency received 260 applications for authority to operate new or amended domestic air services to, from or within the designated area, and 77 applications were carried over from 1988. Seven applications were withdrawn by the applicants; one was returned to the applicant and one was rescinded by the Agency. These applications require public notice. Interested parties are given an opportunity to object to the proposed service, and applicants have the opportunity to respond to these objections, a step normally requiring 45 days.

Of the 273 applications dealt with in 1989, 52 per cent were dealt with in less than 90 days; 30 per cent took between 91 and 119 days; and 12 per cent took 120 days to complete. Another six per cent took more than the 120-day time limit specified in the legislation, down from 12 per cent in 1988. Applications that take more than 120 days to process usually involve

extraordinary pleadings or are cases where the applicant must re-advertise.

Thirty-eight applications to suspend or cancel licences or parts of licences authorizing services to, from or within the designated territory were processed. Forty-seven per cent were processed within 30 days, and 47 per cent between 31 and 61 days. The two remaining applications took less than 112 days. Sixty-nine per cent of the 13 applications for temporary authorities, waivers and exemptions were processed in under 23 days and all were processed within 53 days.

The processing of another 70 applications relating to domestic air services received in 1989, was still in progress at the end of the year.

Fifty-six applications for authority to operate international scheduled services were received in 1989. No statutory time limits are imposed on the Agency for processing these applications. The applications were dealt with expeditiously by the Agency and, on average, the processing did not take longer than 30 days.

Thirty-four of the 185 applications received for non-scheduled international services required public notice, a 45-day step. Of the 213 applications dealt with in 1989, 61 per cent were processed in less than 60 days, while 38 per cent took between 60 and 120 days. The remaining one per cent took more than the 120-day time limit specified in the legislation.

Five applications for temporary authorities relating to international services were received and one was withdrawn. Three were handled within 15 days of receipt and one took 40 days to process. The 49 requests for exemptions took an average of 22 days to process. Of the 15 requests to suspend or cancel licences authorizing international services, 33 per cent were completed within 30 days, 60 per cent between 31 to 49 days and all were completed within 57 days.

The processing of an additional 95 international applications filed was still in progress at year's end.

Air Charter Permit Applications

The Agency received 3,529 applications for permits to operate specific charter programs. Only two of these related to applications for domestic charter permits. The regulations specify different advance filing requirements for each type of charter. The time within which the Agency must process these applications varies depending on the charter type involved. In all cases, these applications were dealt with before the departure date of the proposed flights.

Of the more than 3,500 applications, 650 were accompanied by requests for exemptions. These exemptions were considered at the same time as the applications. Three requests were denied because of failure to provide financial information on the tour operator.

Rail Licence Applications

Following a public hearing in Sault Ste. Marie, the Agency issued a decision rejecting Algoma Central Railway's proposed agreement of conveyance of its Rail Division to Algoma Central Railway Inc.

Northern Marine Resupply Licence Applications

SJI Enterprises Ltd., doing business as Lake Athabasca Transport, was the sole applicant for a marine resupply licence in 1989. The Agency received the substantive application on January 31, 1989 and approved it on June 22, 1989 despite an objection from A. Frame Contracting Ltd., the Athabasca's principal marine carrier. The Agency issued Lake Athabasca Transport a one-season marine resupply licence.

Beluga Tours Ltd., which had published notification of its application for a marine resupply licence for the Mackenzie and Western Arctic system in June of 1988, received its indefinite licence on February 6, 1989. The carrier's failure to submit documentation pertinent to its licence application in a timely manner resulted in delay of the Agency's issuance of the licence.

DISPUTE RESOLUTION

Complaints And Investigations - Air

Eight public interest investigations were carried out pursuant to section 59 of the *NTA, 1987*. All eight applications dealt with the discontinuance of Air Canada's daily domestic jet freight service to Stephenville, Newfoundland. The applicants alleged that without jet service, there would be inadequate cargo space and lack of uninterrupted service for rush orders and perishable goods. Also, an undue obstacle would be created for the development of primary and secondary industries, and commercial relationships with major Canadian business centres and overseas points would be seriously affected. Finally, one applicant alleged that the withdrawal was illegal since it

was against the intent of the Act. After reviewing all the issues submitted by the various parties, the Agency found that Air Canada's withdrawal of its jet service to Stephenville was not prejudicial to the public interest. All of the decisions were issued within the 120-day statutory time limit.

The Agency also received 315 written complaints of varying complexity, and approximately 130 oral complaints about various aspects of air passenger transportation. Approximately 25 per cent of these complaints were related to domestic services while the remainder pertained to international air services. The largest category of complaints received by the Agency dealt with matters pertaining to air fares: their levels, terms and conditions, and availability. This category was followed closely by complaints related to flight delays and cancellations, as well as those related to charter carriers/tour operators. Other main areas of concern raised by the public centered around lost, delayed, or damaged baggage, level and quality of service, and overbooking. The number of oral complaints increased, but this was due to numerous calls resulting from Eastern Airlines' Chapter 11 Bankruptcy Filing.

It took an average of 31 days to handle each of the 315 complaints. This was a decrease of 26 days over 1988, when the average time taken was 57 days.

Complaints and Investigations - Rail

In 1989, a major portion of the workload concerned interswitching applications and related matters. During the year, nine matters related to this competitive access provision were dealt with. Of these, there were five applications for extended interswitching, two of which were withdrawn, two carried over to 1990, and one for which a decision was issued. With respect to the application by Celgar Pulp Co., the Agency denied the shipper's request on the grounds that the traffic exchange point at Nelson, British Columbia did not qualify as an interchange. Two of the four other matters were resolved in 1989, and two were carried over to 1990. Three appeals of 1988 interswitching decisions have yet to be decided, two in Federal Court and one by the Governor-in-Council.

One application under the running rights/joint track usage provision of the legislation was received and handled during the year.

Five railway common carrier obligation complaints were investigated in 1989. Two complaints were received late in the year and were carried forward to 1990. Of the other three applications, one was withdrawn and the Agency issued decisions with regard to two applications within the 120-day statutory limit. A 1988 appealed decision remained before the Federal Court at year's end.

Ten formal passenger service matters were also investigated. Eight were completed during the year, and two remain under investigation. On average, each matter took 66 days to complete.

In 1989, two applications for the establishment of competitive line rates were received. In both cases, the statutory limit of 45 days was met. In October, a competitive line rate covering the movement of methanol by CP Rail was established for Alberta Gas Chemicals Limited. The rate extended a competitive line rate which had been established by the Agency in 1988. CP Rail appealed the 1988 rate, and the appeal was dismissed by the Federal Court in 1989. Late in the year, an Agency decision, which established three competitive line rates for the movement of canola oil for CSP Foods Limited, was appealed to the Federal Court.

Two applications alleging non-compensatory rail rates were handled during the year. The Agency's investigation of one of the applications was completed within the statutory limit of 90 days, while the other, received in late November, was still under investigation at the end of the year.

Eight public interest applications of railway rates were handled in 1989. Three of the applications were subsequently withdrawn. The Agency issued its decisions with respect to the other five applications within the 120-day statutory time limit. One of those decisions was subsequently appealed to the Federal Court, but the Court dismissed the appeal.

A major public hearing into VIA Rail's pricing policy was started in 1989, at the request of the Minister of Transport. Following major reductions in federal government funding of VIA, the Inquiry was terminated at the request of the Minister. In addition, 50 ministerial referrals regarding rate and service-related matters were addressed.

Complaints and Investigations - Marine

The 1988 Annual Review reported that the Canadian Meat Importers Committee filed a formal complaint with the Agency against the Australia-Eastern Canada Shipping Conference under section 59 of the *NTA, 1987*. It was the Committee's contention that the conference was levying a protective service charge on

containers of frozen meat moved between Halifax and Montreal, and that since the freight rate for the transportation of the cargo established by marketing boards in Australia and New Zealand included the cost of temperature protection to the port of delivery, the conference's assessment of such a charge constituted a double recovery of a portion of freight costs.

On the basis of responses received from the Australian and New Zealand boards, the Agency concluded, 205 days after the filing of the formal complaint (both parties agreed to an extension of the 120-day period stipulated in the Act), that the imposition of the charge did not represent a double recovery of freight costs and was therefore not prejudicial to the public interest.

Mediation and Arbitration - Air

Mediation is an informal, voluntary dispute resolving technique. The Agency was not requested to mediate or arbitrate any matters relating to air transportation during 1989.

Mediation and Arbitration - Rail

In 1989, 43 requests for assistance in disputes between shippers, municipalities, private landowners, and railways were handled. Issues included provision of competitive rail rates and services, construction and removal of railway infrastructure, connections between railways, liability limits on containers, and provision of alternative services of transportation following rail line abandonment.

The Act specifies a 30-day limit upon formal application for mediation. In the majority of cases, these requests were looked after within these time limits, achieving results which were satisfactory to the parties. In instances where the 30-day period was exceeded, it was either at the request of the parties to the dispute or with their consent and agreement in order to further explore alternatives which would lead to resolution of the conflict.

Final offer arbitration may be used to resolve disputes of a private or narrow nature, concerning rates or conditions of carriage. Arbitration must be completed within 90 days and the decision of the arbitrator is binding. One request for arbitration services was received during the year, but was later withdrawn when the parties reached a negotiated settlement.

Infrastructure - Rail

Following passage of the *Railway Safety Act*, effective January 1, 1989 the rail safety functions were transferred from the Agency to Transport Canada. The remaining responsibilities, primarily relating to public interest and public convenience under the *Railway Act*, were assigned to a new directorate within the Dispute Resolution Branch. The Directorate was created to process all applications and resolve all disputes relating to rail infrastructure.

One of the first tasks was the review of 917 rail infrastructure-related applications submitted to the Agency prior to January 1, 1989. Of these, 582 were found to deal solely with safety matters and were transferred to the Railway Safety Directorate of Transport Canada. The remaining 335 applications fell within the jurisdiction of the Agency; and 317 additional applications were received during 1989.

Of these 652 applications, 148 orders were issued; 196 were otherwise completed to the satisfaction of the parties, and 308 were in progress at year's end. Included in these figures were orders issued for major rail relocations in Red Deer, Alberta; Crow's Nest Subdivision, Alberta; and Viger Lead in Montreal, Quebec. The Agency also received three appeals of infrastructure-related orders, one of which was dismissed by the Federal Court.

There are no statutory deadlines associated with the issuance of infrastructure orders under the *Railway Act*. The time required to issue orders varies with the complexity of the application, the extent of any dispute between the parties, and the response time of those parties to Agency requests for information. The Agency has, however, through the establishment of improved procedures, reduced the average time taken to issue orders from 207 days in the first quarter of 1989, to 124 days in the last quarter of the year.

In addition, the Agency was involved in 177 other issues (such as complaints, inquiries and ministerial correspondence) concerning the construction, modification or use of rail infrastructure. Of these, 121 were completed and 56 were pending at year's end. The average response time for ministerial correspondence and for inquiries was 10 days, and there was a 26-day average response time for complaints.

Transportation Services for Persons with Disabilities

In 1989, 62 complaints and two formal applications were received. Concerns ranged from broad issues such as level of service and facility accessibility, to a mother's concern about suitable transportation to and from medical facilities for her child. Of the

62 complaints received, 38 were completed and 24 remained outstanding at the end of the year. The two formal applications are also outstanding. On average, the time required to complete a complaint was 29 days.

Mergers and Acquisitions

There were four proposed acquisitions of air transportation undertakings that required public notice. In all cases, notice was given in the *Canada Gazette* within two weeks of receipt of the completed application. Three of these proposed acquisitions were not subject to review under Part VII of the *NTA, 1987* as the Agency received no objections to the transactions.

The Agency received notice on January 25, 1989 of the proposed acquisition of Wardair Inc. by PWA Corporation through a public take-over bid to all shareholders of Class A and Class B shares. Notice of this proposed acquisition was published in the *Canada Gazette*, *The Globe and Mail*, and *La Presse* on February 4, 1989. Several objections were received.

On March 22, 1989, the Agency decided that, in its opinion, the proposed acquisition was not against the public interest and, therefore, did not disallow it. The Agency felt that disallowing the proposed acquisition might have precipitated the financial failure of Wardair Inc. and this factor outweighed any lessening of competition which might have occurred.

There were six proposed acquisitions of motor vehicle transportation undertakings filed with the Agency during 1989. In all six cases, a notice of the proposed acquisition was published in the *Canada Gazette*. As no objections were received, all parties were notified within a week following the 30-day public notice period that the proposed transactions were not subject to further review by the Agency. On average, each application for proposed acquisition of a trucking undertaking took 38 days to complete, from date of acknowledgement by the Agency to file closure.

RAIL RATIONALIZATION

Branch Line Abandonment Applications

The rail branch line abandonment provisions in the *NTA, 1987* were designed to streamline the provisions in the *Railway Act* by incorporating specific criteria, decision rules, and time limits on all aspects of the process.

In its second year of operation, the Agency completed the processing of applications made to its predecessor, the Canadian Transport Commission. In addition, the Agency dealt with the reconsideration of cases ordered continued by the Commission and coming up for reconsideration in 1989. The Agency also settled many new applications submitted under the *NTA, 1987* requesting line abandonments or the review of previous orders. In total, there were 70 active cases before the Agency during 1989.

The Agency issued 39 orders, rendering decisions on 47 cases. This effectively eliminated the backlog, with the exception of two cases carried forward from previous years. Thirteen of these orders were issued within legislative time limits during 1989. The remaining 23 cases largely deal with reconsideration applications due for completion in 1990, and new applications filed late in 1989 which are due for completion in 1990.

Four major public hearings were held in order to render decisions on abandonment applications affecting 12 rail lines. The remaining cases have been carried over into 1990, and it is expected that most will be dealt with by mid-1990.

Station Removal Applications

With the enactment of the new legislation, there have been significant changes to those sections of the *Railway Act* which pertain to station buildings. These changes have given the railways more discretionary power to manage their resources. In 1988, the Agency's jurisdiction over stations had been questioned by VIA rail, and supported by CN and CP Rail. In 1989, the Agency ruled that it had jurisdiction in this area. However, recent heritage legislation is awaiting proclamation and, once enacted, may have an impact on the processing of station removal applications. The backlog of applications carried into 1989 involved 14 CP and four CN stations. All but two were settled during 1989.

APPLICATIONS FOR REVIEW

No statutory time limits are imposed on the Agency for dealing with applications for review of its orders and decisions; the time taken to deal with a review application is not completely under the Agency's control.

Five applications for review dealing with air matters were filed with the Agency in 1989 and one was carried over from 1988. All applications had to do with

licensing issues. Four of these applications were denied, one was granted and one was carried forward to 1990.

There were 17 applications for review dealing with rail-related issues in 1989. The majority of the review cases dealt with rail abandonment or rail tariff issues. Three of these rail cases were carried over from 1988, along with one rail tariff matter. Of these cases, one was granted and three were denied. Thirteen new rail-related applications were also received. Six cases were completed during the year, with three applications granted and three denied. The seven other rail cases were carried forward to 1990.

APPENDICES

APPENDIX A

AGENCY'S 1989 SURVEY PROGRAM

Sample Size And Returns

	Sample Size	Returns Total
Shippers' Survey*	4,040	933
CTA Survey	3,869	1,090
ACTA Survey	1,470	399
Northern Air Survey	514	97
Shipping Lines - Conferences	34	27
Freight Forwarders	220	106
Northern Marine Survey	120	74
Owner/Operators	1,200	83
Motor Carrier Interviews	132	132

* includes shippers surveyed by the Atlantic Provinces Transportation Commission.

Regional Distribution Of Survey Responses

	Shippers' Survey %	CTA Survey %	ACTA Survey %	Northern Air Survey %	Motor Carrier Interviews %
Newfoundland	2.9	2.4	1.8	8.2	3.0
Prince Edward Island	1.7	0.7	1.2	N.A.	2.3
New Brunswick	3.8	6.7	1.8	N.A.	7.6
Nova Scotia	4.7	11.9	5.5	N.A.	8.3
Québec	18.1	16.8	8.5	12.4	16.7
Ontario	30.1	27.9	33.1	8.2	25.0
Manitoba	8.7	3.7	7.8	8.2	9.8
Saskatchewan	5.0	–	6.5	5.2	8.3
Alberta	11.6	13.9	17.5	11.3	8.3
British Columbia	12.8	16.0	15.5	7.2	9.1
Yukon/Northwest Territories	0.6	–	0.8	39.3	1.5

APPENDIX B

TABLE B.1

Regional Affiliates Fleet Composition

Air Canada Affiliates	Dec. 1988	Dec. 1989	On Order
Air Nova	7 Dash 8's 3 Bae 146's 10	9 Dash 8's 4 Bae 146's 13	1 Dash 8 2 Bae 146's 10 Canadair Regional jets on option
Air Alliance	3 Dash 8's 3	9 Dash 8's 9	
Air Ontario	1 F28 10 Dash 8's 8 HS 748's 6 Convair 580's 18 Other 43	13 Dash 8's 4 Dash 8-300's 17	10 Dash 8's
AirBC	6 Dash 8's 3 Bae 146's 5 Dash 7's 8 Twin Otters 22	8 Dash 8's 5 Bae 146's 4 Dash 7's 8 Twin Otters 6 Jetstreams 31	2 Dash 8's
NWT Air	1 B-737 1 Hercules 3 Electra's 3 DC-3's 8	2 B-737's 1 Hercules 3 Electra's 2 DC-3's 8	
Air Toronto	5 J-31's 1 CVR-580 1 Metro II 7	9 J-31's 1 CVR-580 10	
TOTAL	**93**	**88**	**15 on order + 10 options**

TABLE B.2

Regional Affiliates Fleet Composition

Canadian Airlines	Dec. 1988	Dec. 1989	On Order
Air Atlantic	7 Dash 8's 7	15 Dash 8's 15	3 Bae 146's
Ontario Express	12 Jetstreams 2 ATR-42's 14	14 Jetstreams 5 ATR-42's 19	3 ATR-42's 3 ATR-72's 8 EMB-120's
Frontier Air	N/A	3 Piper 31's 2 King Airs 5 Beech 1900's 1 Twin Otter 11	
Inter-Canadien	3 B-737's 2 F-28's 6 CVR-580's 5 Metro III's 16	(Intair is now an independent carrier.)	
Calm Air	4 HS 748's 1 DC-3 3 Twin Otters 7 Other 15	4 HS 748's 1 DC-3 3 Twin Otters 7 Other 15	
Canadian North	–	8 B-737's	
Time Air	3 F-28's 3 SD-359's 1 F-27 5 Dash 7's 4 Dash 8's 4 CVR-640's 2 CVR-580's 11 Other 33	3 F-28's 2 SD-359's 5 Dash 7's 5 Dash 8's 6 Dash 8-300's 10 Other 31	2 Dash 8-300's
TOTAL	**85**	**99**	**19**

TABLE B.3

Independent Canadian Jet Carriers

	Dec. 1988	Dec. 1989*
Odyssey International	2 B-757's	2 B-757's 2 B-737's
Worldways	2 L1011's 4 DC-8's	4 L1011's 4 DC-8's 3 B-727's
Nationair	8 DC-8's	8 DC-8's 1 B-747
Air Transat	2 L1011's	3 L1011's
Canada 3000	2 B-757's	4 B-757's
First Air (Also operates turboprops)	4 B-727's	4 B-727's
Intair (Also operates turboprops)	2 F-28's	7 Fokker-100's
Air Charter Systems (All cargo)	2 DC-8's	2 DC-8's
Vacationair**	2 B-737's	2 B-737's
Points of Call***	1 DC-8	1 DC-8
Crownair****	1 DC-8	1 DC-8
Holidair	1 DC-8	–
Minerve	2 DC-8's	–
	35	48

* As of December 31, 1989, Holidair and Minerve were not operating.
** Vacationair suspended operations on January 8, 1990.
*** Points of Call suspended operations on January 18, 1990.
**** Crownair suspended operations on February 10, 1990.

APPENDIX C

NOTICES OF INTENT TO APPLY FOR ABANDONMENT, 1989

(Subsection 160(1) of the NTA, 1987)

Province/Railway Subdivision	Between Points	Track Miles	Date of Receipt
Quebec			
CN Massena	Huntingdon to Ayrness 38.90-56.12	17.22	December 20, 1989
CN Massena	Ayrness to St. Isidore 56.12-72.46 Incl. portion of Valleyfield Subdivision 26.10-27.20	17.44	December 20, 1989
CN Massena	Massena/Beauharnois 0.00-5.00	5.00	December 21, 1989
CN Montmagny	Harlaka to St-Romuald 111.35-120.40	9.05	October 5, 1989
	CN Total Miles	**48.71**	
Ontario			
CN Marmora	Picton to Trenton 0.05-30.15 Incl. Bethlehem Spur 0.00-4.23 Incl. Lake Ontario Cement Lead 0.00-1.34	35.67	August 29, 1989
CN Meaford	Barrie to Collingwood 1.09-31.40 Incl. Penetang Spur 0.00-2.00 Incl. Pretty River Spur 0.00-0.92	33.23	August 29, 1989

CN Uxbridge	Lindsay to Stouffville 0.00-40.31 Incl. Campbellford Spur 85.18-86.28 Incl. Haliburton Spur 0.00-0.53 Incl. Lindsay River Branch 0.00-3.20 Incl. Lindsay Industrial Spur 0.00-2.50	47.65	August 29, 1989
	CN Total Miles	**116.55**	
Manitoba			
CP Lac du Bonnet	Molson to Lac du Bonnet 43.6-65.7	22.1	September 7, 1989
	CP Total Miles	**22.1**	
Saskatchewan			
CP Coronation	Major to Compeer 22.9-43.1	20.2	September 7, 1989
CP Empress	Leader to Empress 89.9-111.0	21.1	September 7, 1989
CP Kisbey	Arcola to Stoughton 0.5-23.3	22.8	September 7, 1989
CP Shamrock	Archive to Tyson 0.0-70.3	70.3	March 1, 1989
	CP Total Miles	**134.4**	
Alberta			
CP Stirling	Manyberries to Orion 0.0-6.0	6.0	September 7, 1989
	CP Total Miles	**6.0**	

British Columbia

CP Princeton	Penticton to Spences Bridge 0.0-177.8 Incl. Okanagan Falls Spur 0.0-12.3	190.1	June 29, 1989
	CP Total Miles	**190.1**	

Note: This table provides some details regarding only the abandonment applications for which Notice of Intent was filed with the Agency between January 1 and December 31, 1989.

APPENDIX D

SUMMARY OF ABANDONMENT APPLICATIONS, 1989

(Subsection 160(4) of the NTA, 1987)

Province	No. Applications CN	No. Applications CP	No. Applications Total	Mileage CN	Mileage CP	Mileage Total
Québec	N.A.	3	3	N.A.	81.0	81.0
Ontario	5	N.A.	5	155.92	N.A.	155.92
Manitoba	N.A.	1	1	N.A.	22.1	22.1
Saskatchewan	N.A.	4	4	N.A.	134.4	134.4
Alberta	N.A.	1	1	N.A.	6.0	6.0
British Columbia	N.A.	1	1	N.A.	190.1	190.1
TOTAL	**5**	**10**	**15**	**155.92**	**433.6**	**589.52**

Note: This table indicates the mileages associated with all new applications received from railways between January 1 and December 31, 1989 regardless of the date on which a Notice of Intent to apply for abandonment was received.

Thus, it includes six cases where the Notice of Intent was filed in 1988 and none where the Agency reconsidered earlier Agency or CTC decisions.

APPENDIX E

ACTIVE RAIL LINE ABANDONMENT APPLICATIONS AND LINES UNDER CONSIDERATION DURING 1989

(Subsections 160(4) or 171(1) of the NTA, 1987)

Railway/ Subdivision	Between Points	Track Miles	Status
Newfoundland			
CN Stephenville	White's Road-Stephenville 0.00-7.00	7.00	Ordered abandoned February 22, 1989
	CN Total Miles	**7.00**	
Nova Scotia			
CN Chester	Barry's Stillwater Marsh-Liverpool 42.25-109.07 Incl. Lunenburg, Blue Rocks, Yarmouth & Liverpool Town Spurs	77.02	Ordered abandoned March 29, 1991
CP Kentville❖	Kentville-Annapolis Royal 4.6-58.4	53.8	Ordered abandoned July 13, 1990
CP Yarmouth❖	Annapolis Royal-Yarmouth 0.0-86.6	86.6	Ordered abandoned July 13, 1990
	CN Total Miles	**77.02**	
	CP Total Miles	**140.4**	
Prince Edward Island			
CN Borden■	Charlottetown-Borden 0.00-42.40	42.40	Ordered abandoned December 31, 1989
CN Kensington■	Emerald Jct.-Linkletter 0.00-19.45	19.45	Ordered abandoned December 31, 1989
CN Kensington	Linkletter-Tignish 19.45-84.61	65.16	Ordered abandoned October 15, 1989
CN Montague	Mount Stewart Jct.-Montague 0.00-25.61	25.61	Ordered abandoned October 15, 1989
CN Murray Harbour	Maple Hill-Uigg 0.00-17.77 Incl. part Mt. Herbert Spur	22.37	Ordered abandoned October 15, 1989
CN Souris	Royalty Jct.-Souris 0.00-55.02	55.02	Ordered abandoned October 15, 1989

CN Souris (Elmira Spur)	Harmony Jct.-Baltic 0.00-5.00	5.00	Ordered abandoned October 15, 1989
	CN Total Miles	**235.01**	
New Brunswick			
CP Aroostook	Aroostook-International Boundary 0.0-4.8	4.8	Ordered abandoned May 2, 1989
CN Caraquet	East Bathurst-Tracadie 4.34-72.04 Incl. Shippigan Spur	74.97	Ordered abandoned May 2, 1989
CP Houlton	Debec-International Boundary 0.0-5.0	5.0	Ordered abandoned May 2, 1989
CN St. Quentin	Tide Head-I.N.R. Jct. 0.00-103.50	103.50	Ordered abandoned June 7, 1989
CP Shogomoc	Woodstock-Newburg 51.5-54.2	2.7	Abandonment ordered but stayed
CP Shogomoc	Upper Kent-Aroostook 88.5-104.6	16.1	Abandonment ordered but stayed
CP Tobique	Perth Jct.-Plaster Rock 0.0-27.5	27.5	Abandonment ordered but stayed
CN Tormentine■	Sackville-Tormentine 0.00-35.39	35.39	Ordered abandoned December 31, 1989
	CN Total Miles	**213.86**	
	CP Total Miles	**56.1**	
Québec			
CP Beebe	Lennoxville-Beebe Jct. 2.9-32.9	30.0	Ordered abandoned December 30, 1989
CN Chandler	Ste. Adelaïde-Gaspé 48.10-104.23	56.13	To be reconsidered by 1990
CN Chapais	Franquet-Chapais 72.06-169.40	97.34	To be reconsidered by 1993
CN Danville	Chaudière-Richmond 0.00-87.22 Incl. Industrial, Victo Container & Victoriaville Spurs	88.62	Ordered abandoned October 16, 1989
CP Drummondville	Foster-Drummondville 0.0-46.7 Incl. Drummondville Industrial Spur & L'Avenir Spur	48.6	Ordered abandoned December 21, 1989
CN Granby●	Granby-Clough 9.00-15.57	6.57	Ordered abandoned December 9, 1989

CN Granby●	Clough-Chambly 15.57-44.00	28.43	To be reconsidered by 1990
CP Ste. Agathe	St. Jérôme-Ste. Agathe 13.6-44.4	30.8	Ordered abandoned July 4, 1990
CP Ste. Agathe	Ste. Agathe-Mont Laurier 44.4-138.2	93.8	Ordered abandoned December 31, 1989
CN St. Raymond	Hedley-Jackson's 2.62-36.50	33.88	To be reconsidered in 1990
CN St. Raymond	Jackson's-Rivière-à-Pierre 36.50-55.57	19.07	Interim Stay in place until March 16, 1990
CN Sorel*	Tracy-Sorel 45.50-47.16 Nicolet-St. Grégoire 77.00-84.20 Incl. Bécancour Spur	9.16	To be reconsidered by 1991
CN Sorel*	Sorel-Nicolet 47.16-77.00 Incl. Des Ormeaux Spur	30.14	Ordered abandoned April 7, 1989
CP Stanstead	Beebe Jct.-Rock Island 0.0-2.4	2.4	Ordered abandoned December 30, 1989
CP Temiscaming	Temiscaming-Gendreau 40.5-47.9	7.4	Ordered abandoned October 13, 1989
CN Temiscouata	Cabano-Edmundston East 44.00-77.00	33.00	Ordered abandoned October 16, 1989
	CN Total Miles	**402.34**	
	CP Total Miles	**213.0**	

Ontario

CN Burford	Brantford-Burford 3.35-11.00	7.65	To be reconsidered in 1990
CP Carleton Place	Nepean-Carleton Place 9.0-28.1	19.1	Ordered abandoned January 15, 1990
CN Forest	St. Mary's-Lucan 0.00-15.50	15.50	Ordered abandoned January 1, 1990
CN Forest	Lucan-Parkhill 15.50-30.50	15.00	Ordered abandoned July 22, 1989
CN Kincardine▼	Listowel 0.00-1.41	1.41	To be reconsidered in 1990
CN Kincardine	Listowel-Wingham 1.41-30.34	28.93	To be reconsidered in 1990
CN Marmora	Picton-Trenton 0.05-30.15 Incl. Bethlehem Spur & Lake Ontario Cement Lead	35.67	Application received November 28, 1989

CN Meaford	Barrie-Collingwood 1.09-31.40 Incl. Penetang & Pretty River Spurs	33.23	Application received November 28, 1989
CN Newmarket (Beeton & Alliston Spurs)	Beeton-Barrie 58.75-77.10 0.00-5.52	23.87	Ordered abandoned January 1, 1990
CN Newton▼	Stratford-Palmerston 1.17-36.62	35.45	To be reconsidered in 1990
CN Owen Sound▼	Palmerston-Owen Sound 0.00-71.43	71.43	To be reconsidered in 1990
CN Renfrew▲	Nepean-Arnprior 0.00-27.20	27.20	Ordered abandoned December 31, 1990
CN Renfrew▲	Arnprior-Renfrew 27.20-43.78	16.58	Ordered abandoned December 31, 1989
CP Simcoe/ Waterford	Waterford-Simcoe Jct. 35.3-43.1	7.8	Ordered abandoned July 1, 1989
	Brantford-L.E. & N. Jct. 63.7-78.9 Incl. Waterford Spur	16.3	
CP Simcoe/ Waterloo	Main Street Galt-Brantford 0.0-19.4 Main Street Galt 0.0-0.8	19.4	Ordered abandoned August 2, 1990
CN Smiths Falls	Richmond-Smiths Falls 13.00-34.05	21.05	To be reconsidered in 1990
CSXT Subdivision #1	Oldcastle-Leamington 8.0-37.0	29.0	To be re-filed in future
	Leamington-Blenheim 39.0-73.5	34.5	To be re-filed in future
	Blenheim-Black's Siding 75.3-95.5	20.2	To be re-filed in future
	Rodney-West Lorne 98.1-102.8	4.7	To be re-filed in future
CN Taschereau	La Sarre-Cochrane 99.00-181.42	82.42	To be reconsidered by 1990
CN Uxbridge (Campbellford Spur)	Peterborough-Lindsay 63.25-85.18 Incl. Lakefield Spur	31.44	Ordered abandoned July 12, 1989
CN Uxbridge	Lindsay-Stouffville 0.00-40.31 Incl. Campbellford, Haliburton, Lindsay River Branch & Lindsay Industrial Spurs	47.65	Application received November 28, 1989

CP Waterford	Hamilton-Brantford 41.0-61.0	20.0	Ordered abandoned July 1, 1989
	CN Total Miles	**494.48**	
	CP Total Miles	**82.6**	
	CSXT Total Miles	**88.4**	
Manitoba			
CP Lac du Bonnet	Molson-Lac du Bonnet 43.6-65.7	22.1	Application received December 13, 1989
CN Inwood	Grosse Isle-Fisher Branch 0.50-72.00	71.50	Ordered abandoned January 1, 1990
CN Neepawa◆	Neepawa-Rossburn Jct. 33.60-37.79	4.19	Abandonment contingent upon construction of connection
CN Rossburn◆	Rossburn Jct.-Bethany 0.00-11.90	11.90	Abandonment contingent upon construction of connection
	CN Total Miles	**87.59**	
	CP Total Miles	**22.1**	
Saskatchewan			
CN Central Butte	Moose Jaw Jct.-Mawer 39.37-85.00	45.63	To be reconsidered by 2000 (see Note 2)
CN Chelan	Reserve-Weekes 0.00-12.87	12.87	Ordered abandoned June 6, 1989
CN Corning	Peebles-Corning 0.00-14.40	14.40	Ordered abandoned December 31, 1989
CP Coronation	Major-Compeer 22.9-43.1	20.2	Application received December 13, 1989
CP Empress	Leader-Empress 89.9-111.0	21.1	Application received December 13, 1989
CN Erwood	Baden-Hudson Bay 50.85-100.00	49.15	Ordered abandoned January 2, 1990
CP Kisbey	Arcola-Stoughton 0.5-23.3	22.8	Application received December 13, 1989
CP Kisbey	Griffin-Weyburn 43.6-60.9	17.3	Ordered abandoned December 23, 1989
CP Neudorf	Rocanville-Esterhazy 53.5-82.0	28.5	Ordered abandoned June 2, 1989

CN Porter	Oban Jct.-Cando 0.00-18.00	18.00	Ordered abandoned December 31, 1989
CN Preeceville	Preeceville-Kelvington 72.73-112.87	40.14	To be reconsidered by 1990
CP Shamrock	Archive-Tyson 0.0-70.3	70.3	Ordered abandoned December 21, 1989
	CN Total Miles	**180.19**	
	CP Total Miles	**180.3**	
Alberta			
CP Altawan	Notukeu-Manyberries 65.7-122.1	56.4	Ordered abandoned December 23, 1989
CN Coronado	Elk Point-Lindbergh 140.20-151.78	11.58	Ordered abandoned March 15, 1989
CP Stirling	Manyberries-Orion 0.0-6.0	6.0	Application received December 13, 1989
	CN Total Miles	**11.58**	
	CP Total Miles	**62.4**	
British Columbia			
CP Boundary	Robson West-Midway 30.7-126.6 Incl. Carson & Carmi Spurs	100.3	To be reconsidered by 1990
CN Cowichan	Victoria 0.00-1.90	1.90	To be reconsidered by 1990
CN Cowichan Spur	Victoria 0.00-1.37	1.37	To be reconsidered by 1990

CP Princeton	Penticton-Spences Bridge 0.0-177.8 Incl. Okanagan Falls Spur	190.1	Application received December 6, 1989
	CN Total Miles	**3.27**	
	CP Total Miles	**290.4**	

◆■●✱▼▲◆ Indicate groups of rail lines and segments included in one application

Notes: 1. This table provides details of the applications and rail line segments dealt with in 1989 or for which a decision can be expected to be rendered during 1990. Excluded are cases where no application was received as well as any conveyance applications and cancelled applications.

2. The Agency has ruled that it has no power to reconsider this application since the portion of the line between Mawer and Riverhurst, which is under a Prohibition Order, could potentially be isolated.

APPENDIX F

SUMMARY OF ABANDONMENT DATES FIXED UNDER SECTION 168 OF THE NTA, 1987

Orders and Decisions, 1989
Branch Line Abandonment (includes lines ordered continued)

Subdivision	Between/Miles	Track Miles	Order No./ Date	Disposition
Newfoundland				
CN Stephenville	White's Road-Stephenville 0.00-7.00	7.00	1989-R-9 89/01/23	Ordered abandoned February 22, 1989
Nova Scotia				
CP Kentville❖	Kentville-Annapolis Royal 4.6-58.4	53.8	1989-R-182 89/07/13	Ordered abandoned July 13, 1990
CP Yarmouth❖	Annapolis Royal-Yarmouth 0.0-86.6	86.6	1989-R-182 89/07/13	Ordered abandoned July 13, 1990
Prince Edward Island				
CN Borden■	Charlottetown-Borden 0.00-42.40	42.40	1989-R-180 89/07/12	Ordered abandoned December 31, 1989
CN Kensington■	Emerald Jct.-Linkletter 0.00-19.45	19.45	1989-R-180 89/07/12	Ordered abandoned December 31, 1989
CN Kensington	Linkletter-Tignish 19.45-84.61	65.16	1989-R-180 89/07/12	Ordered abandoned October 15, 1989
CN Montague	Mt.Stewart Jct.-Montague 0.00-25.61	25.61	1989-R-180 89/07/12	Ordered abandoned October 15, 1989
CN Murray Harbour	Maple Hill-Uigg 0.00-17.77 (Incl. part of Mt. Herbert Spur)	22.37	1989-R-180 89/07/12	Ordered abandoned October 15, 1989
CN Souris	Royalty Jct.-Souris 0.00-55.02	55.02	1989-R-180 89/07/12	Ordered abandoned October 15, 1989
CN Souris (Elmira Spur)	Harmony Jct.-Baltic 0.00-5.00	5.00	1989-R-180 89/07/12	Ordered abandoned October 15, 1989
New Brunswick				
CP Aroostook	Aroostook-Intl. Boundary 0.0-4.8	4.8	1989-R-41 89/03/03	Ordered abandoned May 2, 1989
CN Caraquet	East Bathurst-Tracadie 4.34-72.04 Incl. Shippigan Spur	74.97	1989-R-40 89/03/03	Ordered abandoned May 2, 1989
CP Houlton	Debec-Intl. Boundary 0.0-5.0	5.0	1989-R-42 89/03/03	Ordered abandoned May 2, 1989
CN St. Quentin	Tide Head-I.N.R. Jct. 0.00-103.50	103.50	1989-R-80 89/04/07	Ordered abandoned June 7, 1989

CP Shogomoc	Woodstock-Newburg 51.5-54.2	2.7	1989-R-90 89/05/12	Ordered abandoned July 11, 1989 Abandonment stayed
CP Shogomoc	Upper Kent-Aroostook 88.5-104.6	16.1	1989-R-90 89/05/12	Ordered abandoned July 11, 1989 Abandonment stayed
CP Tobique	Perth Jct.-Plaster Rock 0.0-27.5	27.5	1989-R-91 89/05/12	Ordered abandoned July 11, 1989 Abandonment stayed
CN Tormentine■	Sackville-Tormentine 0.00-35.39	35.39	1989-R-180 89/07/12	Ordered abandoned December 31, 1989
Québec				
CP Beebe	Lennoxville-Beebe Jct. 2.9-32.9	30.0	1989-R-384 89/11/30	Ordered abandoned December 30, 1989
CN Danville	Chaudière-Richmond 0.00-87.22 Incl. Industrial, Victo Container & Victoriaville Spurs	88.62	1989-R-21 89/02/08	Ordered abandoned October 16, 1989
CP Drummondville	Foster-Drummondville 0.0-46.7 Incl. Drummondville & L'Avenir Spur	48.6	1989-R-366 89/11/21	Ordered abandoned December 21, 1989
CN Granby	Granby-Clough 9.00-15.57	6.57	1989-R-317 89/11/09	Ordered abandoned December 9,1989
CN Granby	Clough-Chambly 15.57-44.00	28.43	1989-R-317 89/10/13	Ordered continued
CP Ste. Agathe	St. Jérôme-Ste. Agathe 13.6-44.4	30.8	1989-R-178 89/07/04	Ordered abandoned July 4, 1990
CP Ste. Agathe	Ste. Agathe-Mont-Laurier 44.4-138.2	93.8	1989-R-177 89/07/04	Ordered abandoned December 31, 1989
CN St. Raymond	Jackson's-Rivière-à-Pierre 36.50-55.57	19.07	1989-R-389 89/12/01	Interim stay in place until March 16, 1990
CN Sorel●	Tracy-Sorel 45.50-47.16 Nicolet-St. Grégoire 77.00-84.20 Incl. Bécancour Spur	9.16	1989-R-45 89/03/09	Ordered continued
CN Sorel●	Sorel-Nicolet 47.16-77.00	30.14	1989-R-45 89/03/09	Ordered abandoned April 7, 1989
CP Stanstead	Beebe Jct.-Rock Island 0.0-2.4	2.4	1989-R-385 89/11/30	Ordered abandoned December 30, 1989
CP Temiscaming	Temiscaming-Gendreau 40.5-47.9	7.4	1989-R-63 89/03/30	Ordered abandoned September 30, 1989
CN Temiscouata	Cabano-Edmunston East 44.00-77.00	33.00	1989-R-54 89/03/20	Ordered abandoned October 16, 1989

Ontario

CP Carleton Place	Nepean-Carleton Place 9.0-28.1	19.1	1989-R-381 89/11/29	Ordered abandoned January 15,1990
CN Forest	St. Mary's-Lucan 0.00-15.50	15.50	1989-R-226 89/08/11	Ordered abandoned January 1, 1990
CN Forest	Lucan-Parkhill 15.50-30.50	15.00	1989-R-169 89/06/22	Ordered abandoned July 22, 1989
CN Kincardine	Listowel-Wingham 1.41-30.34	28.93	1989-R-24 89/02/13	Ordered continued
CN Newmarket (Beeton & Alliston Spurs)	Beeton-Barrie 58.75-77.10 Mile 0.00-Mile 5.52	23.87	1989-R-231 89/08/15	Ordered abandoned January 1, 1990
CN Renfrew*	Nepean-Arnprior 0.00-27.20	27.20	1989-R-346 89/11/07	Ordered abandoned December 30, 1990
CN Renfrew*	Arnprior-Renfrew 27.20-43.78	16.58	1989-R-346 89/11/07	Ordered abandoned December 31, 1989
CP Simcoe/ Waterford	Waterford-Simcoe Jct. 35.3-43.1 Brantford-L.E.& N. Jct. 63.7-78.9 Incl. Waterford Spur	7.8 16.3	1989-R-117 89/05/02	Ordered abandoned July 1, 1989
CP Simcoe/ Waterloo	Main Street Galt-Brantford 0.0-19.4 Main Street Galt 0.0-0.8	19.4 0.8	1989-R-199 89/08/02	Ordered abandoned August 2, 1990
CSXT Subdivision #1	Oldcastle-Leamington 8.0-37.0	29.00	Telex 89/04/05	Rejected
	Leamington-Blenheim 39.0-73.5	34.5	Telex 89/04/05	Rejected
	Blenheim-Black's Siding 39.0-73.5	20.2	Telex 89/04/05	Rejected
	Rodney-West Lorne 98.1-102.8	4.7	Telex 89/04/05	Rejected
CN Uxbridge (Campbellford Spur)	Peterborough-Lindsay 63.25-85.18 Incl. Lakefield Spur 0.00-9.51	31.44	1989-R-160 89/06/12	Ordered abandoned July 12, 1989
CP Waterford	Hamilton-Brantford 41.0-61.0	20.0	1989-R-117 89/05/02	Ordered abandoned July 1, 1989

Manitoba

CN Inwood	Grosse Isle-Fisher Branch 0.50-72.00	71.50	1989-R-232 89/08/14	Ordered abandoned January 1, 1990

Saskatchewan

CN Avonlea	Parry-Avonlea 29.81-51.45	21.64	PC 1988-R-2576 88/11/17	Ordered abandoned November 28, 1989
CN Chelan	Reserve-Weekes 0.00-12.87	12.87	1989-R-81 89/04/07	Ordered abandoned June 6, 1989
CN Colony	Rockglen-Killdeer 0.0-24.6	24.6	1988-R-903 88/10/12	Ordered abandoned August 31, 1989
CN Corning	Peebles-Corning 0.00-14.40	14.40	1989-R-351 89/11/14	Ordered abandoned December 31, 1989
CN Erwood	Baden-Hudson Bay 50.85-100.00	49.15	1989-R-249 89/09/05	Ordered abandoned January 2, 1990
CP Kisbey	Griffin-Weyburn 43.6-60.9	17.3	1989-R-370 89/11/23	Ordered abandoned December 23, 1989
CP Neudorf	Rocanville-Esterhazy 53.5-82.0	28.5	1989-R-118 89/05/03	Ordered abandoned June 2, 1989
CN Porter	Oban Jct.-Cando 0.00-18.00	18.00	1989-R-352 89/11/14	Ordered abandoned December 31, 1989
CP Shamrock	Archive-Tyson 0.0-70.3	70.3	1989-R-365 89/11/21	Ordered abandoned December 21, 1989

Alberta

CP Altawan	Notukeu-Manyberries 65.7-122.1	56.4	1989-R-370 89/11/23	Ordered abandoned December 23, 1989
CN Coronado	Elk Point-Lindbergh 140.20-151.78	11.58	1989-R-27 89/02/13	Ordered abandoned March 15, 1989
CN Willingdon (Chemical Spur)	Mile 0.0-Mile 6.0	6.0	1988-R-1117 88/12/01	Ordered abandoned December 1, 1989

◆■●✱ Included in one application

APPENDIX G

SUMMARY OF PLANS FOR ABANDONMENT NOTICES AND APPLICATIONS, 1990

To determine the abandonment plans of the various railways under its jurisdiction, the Agency solicited submissions from the following companies:

- Algoma Central Railway
- Burlington Northern (Manitoba) Limited
- Burlington Northern Railroad Company
- Canadian National Railway Company
- Canadian Pacific Limited
- Consolidated Rail Corporation
- CSX Transportation Incorporated
- Devco Railway
- The Essex Terminal Railway Company
- Napierville Junction Railway Company
- Nipissing Central Railway
- Norfolk and Western Railway Company
- Quebec North Shore and Labrador Railway Company
- Wabush Lake Railway Company Limited
- The White Pass and Yukon Corporation Limited

Of the companies canvassed, only CSXT, CN and CP Rail submitted abandonment plans. None of the other companies indicated that they had any branch line abandonment plans for 1990.

Insofar as CSXT, CN and CP Rail are concerned, these railways have been assessing their rail networks to identify possible candidates for abandonment.

Whereas the following summary indicates the order of magnitude of notices and applications and approximate mileages to be submitted, the actual lines proposed to be abandoned are still subject to change contingent upon such factors as business decisions, government decisions and negotiations with customers.

SUMMARY OF PLANNED 1990 BRANCH LINE ABANDONMENT ACTIVITIES

	CSXT	CN	CP Rail	Total
Notices of Intent	2	18	26	46
Abandonment Applications •	2	22	26	50
Total Mileage	13	400	650	1,063

• Includes cases where Applications will be submitted during 1990 following up on Notices of Intent filed in 1989.

ANNEXE G

RELEVÉ DES AVIS ET DES DEMANDES D'ABANDON

Afin de connaître les abandons d'exploitation que projettent diverses compagnies de chemin de fer relevant de sa compétence, l'Office a demandé aux compagnies suivantes de lui fournir des précisions.

- Algoma Central Railway
- Burlington Northern (Manitoba) Limited
- Burlington Northern Railroad Company
- Compagnie des chemins de fer nationaux du Canada
- Canadien Pacifique Limitée
- Consolidated Rail Corporation
- CSX Transportation Incorporated
- Devco Railway
- The Essex Terminal Railway Company
- La Compagnie de chemin de fer de jonction de Napierville
- Nipissing Central Railway
- Norfolk and Western Railway Company
- Chemin de fer Québec North Shore and Labrador
- Wabush Lake Railway Company Limited
- The White Pass and Yukon Corporation Limited

De toutes les compagnies interrogées, seules CSXT, le CN et CP Rail ont fourni des prévisions en matière d'abandon. Aucune des autres n'a indiqué de projet d'abandon d'embranchement pour 1990.

Les compagnies CSXT, le CN et CP Rail ont fait une analyse de leur réseau ferroviaire respectif pour recenser les lignes dont l'abandon pourrait être envisagé.

Le relevé ci-après donne le nombre d'avis et de demandes d'abandon qui seront probablement présentés, ainsi que les distances approximatives correspondantes; cependant, les lignes dont l'abandon sera effectivement demandé restent sujettes à changement, compte tenu de facteurs tels les décisions commerciales et gouvernementales et les négociations avec les clients.

RELEVÉ DES ABANDONS D'EMBRANCHEMENT PRÉVUS POUR 1990

	CSXT	CN	CP Rail	Total
Avis d'intention	2	18	26	46
Demandes d'abandon •	2	22	26	50
Distance totale en milles	13	400	650	1 063

• Y compris les cas dans lesquels les demandes seront présentées en 1990 suite à des avis déposés en 1989.

CN Chelan	Reserve-Weekes 0,00-12,87	12,87	1989-R-81 89/04/07	Abandon 6 juin 1989
CN Colony	Rockglen-Killdeer 0,0-24,6	24,6	1988-R-903 88/10/12	Abandon 31 août 1989
CN Corning	Peebles-Corning 0,00-14,40	14,40	1989-R-351 89/11/14	Abandon 31 décembre 1989
CN Erwood	Baden-Hudson Bay 50,85-100,00	49,15	1989-R-249 89/09/05	Abandon 2 janvier 1990
CP Kisbey	Griffin-Weyburn 43,6-60,9	17,3	1989-R-370 89/11/23	Abandon 23 décembre 1989
CP Neudorf	Rocanville-Esterhazy 53,5-82,0	28,5	1989-R-118 89/05/03	Abandon 2 juin 1989
CN Porter	Oban Jct.-Cando 0,00-18,00	18,00	1989-R-352 89/11/14	Abandon 31 décembre 1989
CP Shamrock	Archive-Tyson 0,0-70,3	70,3	1989-R-365 89/11/21	Abandon 21 décembre 1989
Alberta				
CP Altawan	Notukeu-Manyberries 65,7-122,1	56,4	1989-R-370 89/11/23	Abandon 23 décembre 1989
CN Coronado	Elk Point-Lindbergh 140,20-151,78	11,58	1989-R-27 89/02/13	Abandon 15 mars 1989
CN Willingdon (épi Chemical)	P.M. 0,0-P.M. 6,0	6,0	1988-R-1117 88/12/01	Abandon 1er décembre 1989

♦■●● Compris dans une demande

Ontario				
CP Carleton Place	Nepean-Carleton Place 9,0-28,1	19,1	1989-R-381 89/11/29	Abandon 15 janvier 1990
CN Forest	St-Mary's-Lucan 0,00-15,50	15,50	1989-R-226 89/08/11	Abandon 1er janvier 1990
CN Forest	Lucan-Parkhill 15,50-30,50	15,00	1989-R-169 89/06/22	Abandon 22 juillet 1989
CN Kincardine	Listowel-Wingham 1,41-30,34	28,93	1989-R-24 89/02/13	Maintien en exploitation
CN Newmarket (épis Beeton et Alliston)	Beeton-Barrie 58,75-77,10 P.M. 0,00-P.M. 5,52	23,87	1989-R-231 89/08/15	Abandon 1er janvier 1990
CN Renfrew*	Nepean-Arnprior 0,00-27,20	27,20	1989-R-346 89/11/07	Abandon 30 décembre 1990
CN Renfrew*	Arnprior-Renfrew 27,20-43,78	16,58	1989-R-346 89/11/07	Abandon 31 décembre 1989
CP Simcoe/ Waterford	Waterford-Simcoe Jct. 35,3-43,1	7,8	1989-R-117 89/05/02	Abandon 1er juillet 1989
	Brantford-L.E.& N. Jct. 63,7-78,9 Y compris l'épi Waterford	16,3		
CP Simcoe/ Waterloo	Main Street Galt-Brantford 0,0-19,4	19,4	1989-R-199 89/08/02	Abandon 2 août 1990
	Main Street Galt 0,0-0,8	0,8		
CSXT Subd. n° 1	Oldcastle-Leamington 8,0-37,0	29,00	Télex 89/04/05	Rejet
	Leamington-Blenheim 39,0-73,5	34,5	Télex 89/04/05	Rejet
	Blenheim-Black's Siding 39,0-73,5	20,2	Télex 89/04/05	Rejet
	Rodney-West Lorne 98,1-102,8	4,7	Télex 89/04/05	Rejet
CN Uxbridge (épi Campbellford)	Peterborough-Lindsay 63,25-85,18 Y compris l'épi Lakefield 0,00-9,51	31,44	1989-R-160 89/06/12	Abandon 12 juillet 1989
CP Waterford	Hamilton-Brantford 41,0-61,0	20,0	1989-R-117 89/05/02	Abandon 1er juillet 1989
Manitoba				
CN Inwood	Grosse Isle-Fisher Branch 0,50-72,00	71,50	1989-R-232 89/08/14	Abandon 1er janvier 1990
Saskatchewan				
CN Avonlea	Parry-Avonlea 29,81-51,45	21,64	PC 1988-R-2576 88/11/17	Abandon 28 novembre 1989

CP Shogomoc	Woodstock-Newburg 51,5-54,2	2,7	1989-R-90 89/05/12	Abandon 11 juillet 1989; en sursis
CP Shogomoc	Upper Kent-Aroostook 88,5-104,6	16,1	1989-R-90 89/05/12	Abandon 11 juillet 1989; en sursis
CP Tobique	Perth Jct.-Plaster Rock 0,0-27,5	27,5	1989-R-91 89/05/12	Abandon 11 juillet 1989; en sursis
CN Tormentine■	Sackville-Tormentine 0,00-35,39	35,39	1989-R-180 89/07/12	Abandon 31 décembre 1989
Québec				
CP Beebe	Lennoxville-Beebe Jct. 2,9-32,9	30,0	1989-R-384 89/11/30	Abandon 30 décembre 1989
CN Danville	Chaudière-Richmond 0,00-87,22 Y compris les épis Victo Container et Victoriaville	88,62	1989-R-21 89/02/08	Abandon 16 octobre 1989
CP Drummondville	Foster-Drummondville 0,0-46,7 Y compris les épis Drummondville et L'Avenir	48,6	1989-R-366 89/11/21	Abandon 21 décembre 1989
CN Granby	Granby-Clough 9,00-15,57	6,57	1989-R-317 89/11/09	Abandon 9 décembre 1989
CN Granby	Clough-Chambly 15,57-44,00	28,43	1989-R-317 89/10/13	Maintien en exploitation
CP Ste-Agathe	St-Jérôme-Ste-Agathe 13,6-44,4	30,8	1989-R-178 89/07/04	Abandon 4 juillet 1990
CP Ste-Agathe	Ste-Agathe-Mont-Laurier 44,4-138,2	93,8	1989-R-177 89/07/04	Abandon 31 décembre 1989
CN St-Raymond	Jackson's-Rivière-à-Pierre 36,50-55,57	19,07	1989-R-389 89/12/01	Sursis provisoire jusqu'au 16 mars 1990
CN Sorel●	Tracy-Sorel 45,50-47,16 Nicolet-St-Grégoire 77,00-84,20 Y compris l'épi Bécancour	9,16	1989-R-45 89/03/09	Maintien en exploitation
CN Sorel●	Sorel-Nicolet 47,16-77,00	30,14	1989-R-45 89/03/09	Abandon 7 avril 1989
CP Stanstead	Beebe Jct.-Rock Island 0,0-2,4	2,4	1989-R-385 89/11/30	Abandon 30 décembre 1989
CP Témiscaming	Témiscaming-Gendreau 40,5-47,9	7,4	1989-R-63 89/03/30	Abandon 30 septembre 1989
CN Témiscouata	Cabano-Edmundston East 44,00-77,00	33,00	1989-R-54 89/03/20	Abandon 16 octobre 1989

ANNEXE F

RELEVÉ DES DATES D'ABANDON FIXÉES EN VERTU DE L'ARTICLE 168 DE LA LTN 1987

Arrêtés et décisions, 1989
Abandon d'embranchements (y compris les lignes maintenues en service par arrêté)

Subdivision	Entre les points milliaires	Nombre de milles	Date de l'arrêté	Décision
Terre-Neuve				
CN Stephenville	White's Road-Stephenville 0,00-7,00	7,00	1989-R-9 89/01/23	Abandon 22 février 1989
Nouvelle-Écosse				
CP Kentville❖	Kentville-Annapolis Royal 4,6-58,4	53,8	1989-R-182 89/07/13	Abandon 13 juillet 1990
CP Yarmouth❖	Annapolis Royal-Yarmouth 0,0-86,6	86,6	1989-R-182 89/07/13	Abandon 13 juillet 1990
Île du Prince-Édouard				
CN Borden■	Charlottetown-Borden 0,00-42,40	42,40	1989-R-180 89/07/12	Abandon 31 décembre 1989
CN Kensington■	Emerald Jct.-Linkletter 0,00-19,45	19,45	1989-R-180 89/07/12	Abandon 31 décembre 1989
CN Kensington	Linkletter-Tignish 19,45-84,61	65,16	1989-R-180 89/07/12	Abandon 15 octobre 1989
CN Montague	Mt. Stewart Jct.-Montague 0,00-25,61	25,61	1989-R-180 89/07/12	Abandon 15 octobre 1989
CN Murray Harbour	Maple Hill-Uigg 0,00-17,77 Y compris une partie de l'épi Mt. Herbert	22,37	1989-R-180 89/07/12	Abandon 15 octobre 1989
CN Souris	Royalty Jct.-Souris 0,00-55,02	55,02	1989-R-180 89/07/12	Abandon 15 octobre 1989
CN Souris (épi Elmira)	Harmony Jct.-Baltic 0,00-5,00	5,00	1989-R-180 89/07/12	Abandon 15 octobre 1989
Nouveau Brunswick				
CP Aroostook	Aroostook-Intl. Boundary 0,0-4,8	4,8	1989-R-41 89/03/03	Abandon 2 mai 1989
CN Caraquet	East Bathurst-Tracadie 4,34-72,04 Y compris l'épi Shippigan	74,97	1989-R-40 89/03/03	Abandon 2 mai 1989
CP Houlton	Debec-Intl. Boundary 0,0-5,0	5,0	1989-R-42 89/03/03	Abandon 2 mai 1989
CN St. Quentin	Tide Head-I.N.R. Jct. 0,00-103,50	103,50	1989-R-80 89/04/07	Abandon 7 juin 1989

CP Princeton	Penticton-Spences Bridge 0,0-177,8 Y compris l'épi Okanagan Falls	190,1	Demande reçue le 6 décembre 1989
	Distance totale pour le CN	**3,27**	
	Distance totale pour le CP	**290,4**	

◆■●✱▼▲◆ Indiquent les groupes de lignes et les tronçons figurant dans une même demande.

Note : 1. Ce tableau donne les détails concernant les demandes et les tronçons de lignes qui ont été traités en 1989 et ceux à l'égard desquels une décision devrait être prise en 1990. Il ne comprend ni les cas qui n'ont pas fait l'objet d'une demande, ni les demandes de cession et les demandes annulées.

2. L'Office a jugé ne pas avoir le pouvoir de faire le réexamen de cette demande, car le tronçon de la ligne situé entre Mawer et Riverhurst, qui est visé par un arrêté d'interdiction, pourrait se trouver isolé du reste du réseau.

CP Kisbey	Arcola-Stoughton 0,5-23,3	22,8	Demande reçue le 13 décembre 1989
CP Kisbey	Griffin-Weyburn 43,6-60,9	17,3	Abandon 23 décembre 1989
CP Neudorf	Rocanville-Esterhazy 53,5-82,0	28,5	Abandon 2 juin 1989
CN Porter	Oban Jct.-Cando 0,00-18,00	18,00	Abandon 31 décembre 1989
CN Preeceville	Preeceville-Kelvington 72,73-112,87	40,14	Réexamen d'ici 1990
CP Shamrock	Archive-Tyson 0,0-70,3	70,3	Abandon 21 décembre 1989
	Distance totale pour le CN	**180,19**	
	Distance totale pour le CP	**180,3**	
Alberta			
CP Altawan	Notukeu-Manyberries 65,7-122,1	56,4	Abandon 23 décembre 1989
CN Coronado	Elk Point-Lindbergh 140,20-151,78	11,58	Abandon 15 mars 1989
CP Stirling	Manyberries-Orion 0,0-6,0	6,0	Demande reçue le 13 décembre 1989
	Distance totale pour le CN	**11,58**	
	Distance totale pour le CP	**62,4**	
Colombie-Britannique			
CP Boundary	Robson West-Midway 30,7-126,6 Y compris les épis Carson et Carmi	100,3	Réexamen d'ici 1990
CN Cowichan	Victoria 0,00-1,90	1,90	Réexamen d'ici 1990
CN Épi Cowichan	Victoria 0,00-1,37	1,37	Réexamen d'ici 1990

CN Uxbridge (épi Campbellford)	Peterborough-Lindsay 63,25-85,18 Y compris l'épi Lakefield	31,44	Abandon 12 juillet 1989
CN Uxbridge	Lindsay-Stouffville 0,00-40,31 Y compris les épis Campbellford, Haliburton, Lindsay River Branch et Lindsay Industrial	47,65	Demande reçue le 28 novembre 1989
CP Waterford	Hamilton-Brantford 41,0-61,0	20,0	Abandon 1er juillet 1989
	Distance totale pour le CN	**494,48**	
	Distance totale pour le CP	**82,6**	
	Distance totale pour CSXT	**88,4**	
Manitoba			
CP Lac du Bonnet	Molson-Lac du Bonnet 43,6-65,7	22,1	Demande reçue le 13 décembre 1989
CN Inwood	Grosse Isle-Fisher Branch 0,50-72,00	71,50	Abandon 1er janvier 1990
CN Neepawa◆	Neepawa-Rossburn Jct. 33,60-37,79	4,19	L'abandon dépend de la construction d'un raccordement
CN Rossburn◆	Rossburn Jct,-Bethany 0,00-11,90	11,90	L'abandon dépend de la construction d'un raccordement
	Distance totale pour le CN	**87,59**	
	Distance totale pour le CP	**22,1**	
Saskatchewan			
CN Central Butte	Moose Jaw Jct.-Mawer 39,37-85,00	45,63	Réexamen d'ici l'an 2000 (voir note 2)
CN Chelan	Reserve-Weekes 0,00-12,87	12,87	Abandon 6 juin 1989
CN Corning	Peebles-Corning 0,00-14,40	14,40	Abandon 31 décembre 1989
CP Coronation	Major-Compeer 22,9-43,1	20,2	Demande reçue le 13 décembre 1989
CP Empress	Leader-Empress 89,9-111,0	21,1	Demande reçue le 13 décembre 1989
CN Erwood	Baden-Hudson Bay 50,85-100,00	49,15	Abandon 2 janvier 1990

CN Kincardine▼	Listowel 0,00-1,41	1,41	Réexamen en 1990
CN Kincardine	Listowel-Wingham 1,41-30,34	28,93	Réexamen en 1990
CN Marmora	Picton-Trenton 0,05-30,15 Y compris l'épi Bethlehem et la voie d'accès de Lake Ontario Cement	35,67	Demande reçue le 28 novembre 1989
CN Meaford	Barrie-Collingwood 1,09-31,40 Y compris les épis Penetang et Pretty River	33,23	Demande reçue le 28 novembre 1989
CN Newmarket (épis Beeton et Alliston)	Beeton-Barrie 58,75-77,10 0,00-5,52	23,87	Abandon 1er janvier 1990
CN Newton▼	Stratford-Palmerston 1,17-36,62	35,45	Réexamen en 1990
CN Owen Sound▼	Palmerston-Owen Sound 0,00-71,43	71,43	Réexamen en 1990
CN Renfrew▲	Nepean-Arnprior 0,00-27,20	27,20	Abandon 31 décembre 1990
CN Renfrew▲	Arnprior-Renfrew 27,20-43,78	16,58	Abandon 31 décembre 1989
CP Simcoe/ Waterford	Waterford-Simcoe Jct. 35,3-43,1	7,8	Abandon 1er juillet 1989
	Brantford-L.E. et N. Jct. 63,7-78,9 Y compris l'épi Waterford	16,3	
CP Simcoe/ Waterloo	Main Street Galt-Brantford 0,0-19,4 Main Street Galt 0,0-0,8	19,4	Abandon 2 août 1990
CN Smiths Falls	Richmond-Smiths Falls 13,00-34,05	21,05	Réexamen en 1990
CSXT Subd. n° 1	Oldcastle-Leamington 8,0-37,0	29,0	Dépôt d'une nouvelle demande ultérieurement
	Leamington-Blenheim 39,0-73,5	34,5	Dépôt d'une nouvelle demande ultérieurement
	Blenheim-Black's Siding 75,3-95,5	20,2	Dépôt d'une nouvelle demande ultérieurement
	Rodney-West Lorne 98,1-102,8	4,7	Dépôt d'une nouvelle demande ultérieurement
CN Taschereau	La Sarre-Cochrane 99,00-181,42	82,42	Réexamen d'ici 1990

CP Drummondville	Foster-Drummondville 0,0-46,7 Y compris les épis Drummondville Industrial et L'Avenir	48,6	Abandon 21 décembre 1989
CN Granby●	Granby-Clough 9,00-15,57	6,57	Abandon 9 décembre 1989
CN Granby●	Clough-Chambly 15,57-44,00	28,43	Réexamen d'ici 1990
CP Ste-Agathe	St-Jérôme-Ste-Agathe 13,6-44,4	30,8	Abandon 4 juillet 1990
CP Ste-Agathe	Ste-Agathe-Mont Laurier 44,4-138,2	93,8	Abandon 31 décembre 1989
CN St-Raymond	Hedley-Jackson's 2,62-36,50	33,88	Réexamen en 1990
CN St-Raymond	Jackson's-Rivière-à-Pierre 36,50-55,57	19,07	Sursis provisoire jusqu'au 16 mars 1990
CN Sorel*	Tracy-Sorel 45,50-47,16 Nicolet-St-Grégoire 77,00-84,20 Y compris l'épi Bécancour	9,16	Réexamen d'ici 1991
CN Sorel*	Sorel-Nicolet 47,16-77,00 Y compris l'épi Des Ormeaux	30,14	Abandon 7 avril 1989
CP Stanstead	Beebe Jct.-Rock Island 0,0-2,4	2,4	Abandon 30 décembre 1989
CP Témiscaming	Témiscaming-Gendreau 40,5-47,9	7,4	Abandon 13 octobre 1989
CN Témiscouata	Cabano-Edmundston East 44,00-77,00	33,00	Abandon 16 octobre 1989
	Distance totale pour le CN	**402,34**	
	Distance totale pour le CP	**213,0**	
Ontario			
CN Burford	Brantford-Burford 3,35-11,00	7,65	Réexamen en 1990
CP Carleton Place	Nepean-Carleton Place 9,0-28,1	19,1	Abandon 15 janvier 1990
CN Forest	St-Mary's-Lucan 0,00-15,50	15,50	Abandon 1er janvier 1990
CN Forest	Lucan-Parkhill 15,50-30,50	15,00	Abandon 22 juillet 1989

CN Murray Harbour	Maple Hill-Uigg 0,00-17,77 Y compris une partie de l'épi Mt. Herbert	22,37	Abandon 15 octobre 1989
CN Souris	Royalty Jct.-Souris 0,00-55,02	55,02	Abandon 15 octobre 1989
CN Souris (épi Elmira)	Harmony Jct.-Baltic 0,00-5,00	5,00	Abandon 15 octobre 1989
	Distance totale pour le CN	**235,01**	
Nouveau-Brunswick			
CP Aroostook	Aroostook-International Boundary 0,0-4,8	4,8	Abandon 2 mai 1989
CN Caraquet	East Bathurst-Tracadie 4,34-72,04 Y compris l'épi Shippigan	74,97	Abandon 2 mai 1989
CP Houlton	Debec-International Boundary 0,0-5,0	5,0	Abandon 2 mai 1989
CN St-Quentin	Tide Head-I.N.R. Jct. 0,00-103,50	103,50	Abandon 7 juin 1989
CP Shogomoc	Woodstock-Newburg 51,5-54,2	2,7	Abandon ordonné mais en sursis
CP Shogomoc	Upper Kent-Aroostook 88,5-104,6	16,1	Abandon ordonné mais en sursis
CP Tobique	Perth Jct.-Plaster Rock 0,0-27,5	27,5	Abandon ordonné mais en sursis
CN Tormentine■	Sackville-Tormentine 0,00-35,39	35,39	Abandon 31 décembre 1989
	Distance totale pour le CN	**213,86**	
	Distance totale pour le CP	**56,1**	
Québec			
CP Beebe	Lennoxville-Beebe Jct. 2,9-32,9	30,0	Abandon 30 décembre 1989
CN Chandler	Ste-Adelaïde-Gaspé 48,10-104,23	56,13	Réexamen d'ici 1990
CN Chapais	Franquet-Chapais 72,06-169,40	97,34	Réexamen d'ici 1993
CN Danville	Chaudière-Richmond 0,00-87,22 Y compris les épis Industrial, Victo Container et Victoriaville	88,62	Abandon 16 octobre 1989

ANNEXE E

DEMANDES D'ABANDON DE LIGNES FERROVIAIRES DÉPOSÉES ET LIGNES TRAITÉES PENDANT L'ANNÉE

(Paragraphe 160(4) ou 171(1) de la LTN 1987)

Embranchements	Entre les points milliaires	Nombre de milles	État
Terre-Neuve			
CN Stephenville	White's Road-Stephenville 0,00-7,00	7,00	Abandon 22 février 1989
	Distance totale pour le CN	**7,00**	
Nouvelle-Éccose			
CN Chester	Barry's Stillwater Marsh-Liverpool 42,25-109,07 Y compris les épis Lunenburg, Blue Rocks, Yarmouth et Liverpool Town	77,02	Abandon 29 mars 1991
CP Kentville❖	Kentville-Annapolis Royal 4,6-58,4	53,8	Abandon 13 juillet 1990
CP Yarmouth❖	Annapolis Royal-Yarmouth 0,0-86,6	86,6	Abandon 13 juillet 1990
	Distance totale pour le CN	**77,02**	
	Distance totale pour le CP	**140,4**	
Île du Prince-Édouard			
CN Borden■	Charlottetown-Borden 0,00-42,40	42,40	Abandon 31 décembre 1989
CN Kensington■	Emerald Jct.-Linkletter 0,00-19,45	19,45	Abandon 31 décembre 1989
CN Kensington	Linkletter-Tignish 19,45-84,61	65,16	Abandon 15 octobre 1989
CN Montague	Mount Stewart Jct.-Montague 0,00-25,61	25,61	Abandon 15 octobre 1989

ANNEXE D

RELEVÉ DES DEMANDES D'ABANDON D'EXPLOITATION, 1989

(Paragraphe 160(4) de la LTN 1987)

	N^bre de demandes			Distance en milles		
Province	CN	CP	Total	CN	CP	Total
Québec	S.o.	3	3	S.o.	81,0	81,0
Ontario	5	S.o.	5	155,92	S.o.	155,92
Manitoba	S.o.	1	1	S.o.	22,1	22,1
Saskatchewan	S.o.	4	4	S.o.	134,4	134,4
Alberta	S.o.	1	1	S.o.	6,0	6,0
Colombie-Britannique	S.o.	1	1	S.o.	190,1	190,1
TOTAL	**5**	**10**	**15**	**155,92**	**433,6**	**589,52**

Nota: Le tableau ci-dessus donne les distances couvertes par l'ensemble des nouvelles demandes reçues des compagnies de chemin de fer entre le 1^er janvier et le 31 décembre 1989, quelle que soit la date de l'avis d'intention de demander l'abandon.

Ainsi, le tableau tient compte de six cas pour lesquels l'avis d'intention a été déposé en 1988; il n'y a aucun cas de réexamen par l'Office de décisions antérieures de l'Office ou de la Commission canadienne des transports.

Colombie-Britannique

CP Princeton	Penticton et Spences Bridge 0,0-177,8 Y compris l'épi Okanagan Falls 0,0-12,31	190,1	29 juin 1989
	Distance totale pour le CP	**190,1**	

Note : Ce tableau concerne uniquement les demandes d'abandon d'exploitation pour lesquelles un avis d'intention a été déposé à l'Office entre le 1er janvier et le 31 décembre 1989.

CN Uxbridge	Lindsay et Stouffville 0,00-40,31 Y compris l'épi Campbellford 85,18-86,28 Y compris l'épi Haliburton 0,00-0,53 Y compris l'épi Lindsay River Branch 0,00-3,20 Y compris l'épi Lindsay Industrial 0,00-2,50	47,65	29 août 1989
	Distance totale pour le CN	**116,55**	
Manitoba			
CP Lac du Bonnet	Molson et Lac du Bonnet 43,6-65,7	22,1	7 septembre 1989
	Distance totale pour le CP	**22,1**	
Saskatchewan			
CP Coronation	Major et Compeer 22,9-43,1	20,2	7 septembre 1989
CP Empress	Leader et Empress 89,9-111,0	21,1	7 septembre 1989
CP Kisbey	Arcola et Stoughton 0,5-23,3	22,8	7 septembre 1989
CP Shamrock	Archive et Tyson 0,0-70,3	70,3	1 mars 1989
	Distance totale pour le CP	**134,4**	
Alberta			
CP Stirling	Manyberries et Orion 0,0-6,0	6,0	7 septembre 1989
	Distance totale pour le CP	**6,0**	

ANNEXE C

AVIS D'INTENTION DE DÉPOSER UNE DEMANDE D'ABANDON D'EXPLOITATION

(Paragraphe 160(1) de la LTN 1987)

Province/chemin de fer subdivision	Entre les points milliaires	Nombre de milles	Date de réception
Québec			
CN Massena	Huntingdon et Ayrness 38,90-56,12	17,22	20 décembre 1989
CN Massena	Ayrness et St-Isidore 56,12-72,46 Y compris un tronçon de la subdivision Valleyfield 26,10-27,20	17,44	20 décembre 1989
CN Massena	Massena et Beauharnois 0,00-5,00	5,00	21 décembre 1989
CN Montmagny	Harlaka et St-Romuald 111,35-120,40	9,05	5 octobre 1989
	Distance totale pour le CN	**48,71**	
Ontario			
CN Marmora	Picton et Trenton 0,05-30,15 Y compris l'épi Bethlehem 0,00-4,23 Y compris la voie d'accès de Lake Ontario Cement 0,00-1,34	35,67	29 août 1989
CN Meaford	Barrie et Collingwood 1,09-31,40 Y compris l'épi Penetang 0,00-2,00 Y compris l'épi Pretty River 0,00-0,92	33,23	29 août 1989

TABLEAU B.3

Transporteurs canadiens indépendants offrant des services par avions à réaction

	Déc. 1988	Déc. 1989*
Odyssey International	2 B-757	2 B-757 2 B-737
Worldways	2 L-1011 4 DC-8	4 L-1011 4 DC-8 3 B-727
Nationair	8 DC-8	8 DC-8 1 B-747
Air Transat	2 L-1011	3 L-1011
Canada 3000	2 B-757	4 B-757
First Air (exploite aussi des turbopropulsés)	4 B-727	4 B-727
Intair (exploite aussi des turbopropulsés)	2 F-28	7 Fokker-100
Air Charter Systems (tout cargo)	2 DC-8	2 DC-8
Vacationair**	2 B-737	2 B-737
Points of Call***	1 DC-8	1 DC-8
Crownair****	1 DC-8	1 DC-8
Holidair	1 DC-8	–
Minerve	2 DC-8	–
	35	48

* Le 31 décembre 1989, Holidair et Minerve n'exerçaient pas leurs activités.
** Vacationair a suspendu ses activités le 8 janvier 1990.
*** Points of Call a suspendu ses activités le 18 janvier 1990.
**** Crownair a suspendu ses activités le 10 février 1990.

TABLEAU B.2

Composition de la flotte des transporteurs régionaux affiliés

Lignes aériennes Canadien international	Déc. 1988	Déc. 1989	Commandes
Air Atlantic	7 Dash-8 7	15 Dash-8 15	3 Bae-146
Ontario Express	12 Jetstream 2 ATR-42 14	14 Jetstream 5 ATR-42 19	3 ATR-42 3 ATR-72 8 EMB-120
Frontier Air	S.o.	3 Piper 31 2 King Air 5 Beech 1900 1 Twin Otter 11	
Inter-Canadien	3 B-737 2 F-28 6 CVR-580 5 Metro III 16	(Intair est maintenant un transporteur indépendant)	
Calm Air	4 HS-748 1 DC-3 3 Twin Otter 7 autres 15	4 HS-748 1 DC-3 3 Twin Otter 7 autres 15	
Canadian North	–	8 B-737	
Time Air	3 F-28 3 SD-359 1 F-27 5 Dash-7 4 Dash-8 4 CVR-640 2 CVR-580 11 autres 33	3 F-28 2 SD-359 5 Dash-7 5 Dash-8 6 Dash-8-300 10 autres 31	2 Dash-8-300
TOTAL	**85**	**99**	**19**

ANNEXE B

TABLEAU B.1

Composition de la flotte des transporteurs régionaux affiliés

Compagnies affiliées à Air Canada	Déc. 1988	Déc. 1989	Commandes
Air Nova	7 Dash-8 3 Bae-146 10	9 Dash-8 4 Bae-146 13	1 Dash-8 2 Bae-146 10 avions à réaction régionaux de Canadair en option
Air Alliance	3 Dash-8 3	9 Dash-8 9	
Air Ontario	1 F-28 10 Dash-8 8 HS-748 6 Convair 580 18 autres 43	13 Dash-8 4 Dash-8-300 17	10 Dash-8
AirBC	6 Dash-8 3 Bae-146 5 Dash-7 8 Twin Otter 22	8 Dash-8 5 Bae-146 4 Dash-7 8 Twin Otter 6 Jetstream 31	2 Dash-8
NWT Air	1 B-737 1 Hercules 3 Electra 3 DC-3 8	2 B-737 1 Hercules 3 Electra 2 DC-3 8	
Air Toronto	5 J-31 1 CVR-580 1 Metro II 7	9 J-31 1 CVR-580 10	
TOTAL	**93**	**88**	**15 en commande + 10 options**

ANNEXE A

PROGRAMME D'ENQUÊTES DE L'OFFICE POUR 1989

Échantillons et réponses

	Échantillons	Réponses
Enquête auprès des expéditeurs*	4 040	933
Enquête auprès de l'AVCC	3 869	1 090
Enquête auprès de l'Alliance canadienne des associations touristiques (ACAT)	1 470	399
Enquête sur les services aériens dans le Nord	514	97
Lignes de transport maritime et conférences	34	27
Transitaires	220	106
Enquête sur les services maritimes dans le Nord	120	74
Voituriers-remorqueurs	1 200	83
Entrevues avec les transporteurs routiers	132	132

* Comprend les expéditeurs qui ont répondu à l'enquête de la Commission des transports des provinces de l'Atlantique.

Ventilation régionale de la réponse aux enquêtes

	Enquête auprès des expéditeurs %	Enquête auprès de l'AVCC %	Enquête auprès de l'ACAT %	Enquête sur les services aériens dans le Nord %	Entrevues avec les transporteurs routiers %
Terre-Neuve	2,9	2,4	1,8	8,2	3,0
Île du Prince-Édouard	1,7	0,7	1,2	S.o.	2,3
Nouveau-Brunswick	3,8	6,7	1,8	S.o.	7,6
Nouvelle-Écosse	4,7	11,9	5,5	S.o.	8,3
Québec	18,1	16,8	8,5	12,4	16,7
Ontario	30,1	27,9	33,1	8,2	25,0
Manitoba	8,7	3,7	7,8	8,2	9,8
Saskatchewan	5,0	–	6,5	5,2	8,3
Alberta	11,6	13,9	17,5	11,3	8,3
Colombie-Britannique	12,8	16,0	15,5	7,2	9,1
Yukon/Territoires du Nord-Ouest	0,6	–	0,8	39,3	1,5

ANNEXES

la Commission canadienne des transports. Il a réexaminé des dossiers sur lesquels la Commission avait déjà rendu une décision et qui étaient à revoir en 1989. Il a aussi réglé de nombreuses nouvelles demandes soumises en vertu de la LTN 1987 portant sur les abandons de lignes ou la révision d'arrêtés précédents. Il y a eu en tout 70 dossiers actifs à l'Office au cours de l'année 1989.

L'Office a pris 39 arrêtés, faisant suite à des décisions prises dans 47 cas. Il a ainsi éliminé l'arriéré, à l'exception de deux dossiers reportés d'années antérieures. Au cours de 1989, 13 de ces arrêtés ont été rendus dans les délais prévus par la Loi. Les 23 qui restent concernent en grande partie les demandes de réexamen dont l'étude doit se terminer en 1990 et les nouvelles demandes déposées à la fin de 1989 et dont l'étude doit également être complétée en 1990.

L'Office a dû tenir quatre audiences publiques importantes avant de pouvoir rendre des décisions sur des demandes d'abandon concernant 12 embranchements. Les autres dossiers ont été reportés à 1990 et tous devraient être réglés au cours de l'année.

Demandes d'enlèvement de gares

La nouvelle loi a apporté d'importantes modifications aux dispositions de la *Loi sur les chemins de fer* relatives aux bâtiments de gare. Ces modifications laissent plus de latitude aux compagnies ferroviaires dans la gestion de leurs ressources. En 1988, VIA Rail, appuyée par le CN et CP Rail, a contesté les pouvoirs de l'Office concernant les gares. Celui-ci a décidé, en 1989, qu'il avait compétence en la matière. Par ailleurs, un projet de loi récemment adopté sur la protection du patrimoine n'a pas encore été proclamé mais, dès son entrée en vigueur, il aura peut-être une incidence sur le traitement des demandes reçues au sujet des gares. L'arriéré de 1988 reporté à 1989 concernait 14 gares de CP Rail et quatre gares du CN. Tous les dossiers, sauf deux, ont été réglés en 1989.

DEMANDES DE RÉVISION

Il n'y a pas de délai prévu par la Loi pour le traitement des demandes de révision des décisions et des arrêtés; de plus, le temps requis pour traiter une demande de révision ne dépend pas uniquement de l'Office.

En 1989, l'Office a reçu cinq demandes de révision ayant trait aux services aériens, et une était reportée de 1988. Toutes les demandes concernaient la délivrance de permis. Quatre d'entre elles ont été rejetées et l'une a été agréée. L'étude d'une demande a été reportée à 1990.

Il y a eu, en 1989, 17 demandes de révision concernant les services ferroviaires. Dans la majorité des cas, il s'agissait de questions de tarifs ferroviaires ou d'abandons d'embranchements. Trois cas d'abandon et un cas de tarification avaient été reportés de 1988. Une demande a été agréée et les trois autres ont été rejetées. Treize nouvelles demandes concernant les chemins de fer ont été reçues. Six ont été traitées au cours de l'année, alors que trois ont été rejetées et trois agréées. Les sept autres ont été reportées à 1990.

ferroviaire de Transports Canada. Les 335 autres relevaient de la compétence de l'Office et 317 autres demandes se sont ajoutées au cours de 1989.

L'examen de ces 652 demandes a donné lieu à 148 arrêtés; 196 demandes ont été réglées par d'autres moyens à la satisfaction des parties et 308 étaient encore à l'étude à la fin de l'année. Ces chiffres tiennent compte d'arrêtés portant sur d'importants déplacements de voies à Red Deer (Alberta), dans la subdivision Nid-de-Corbeau et à la voie d'accès Viger, à Montréal (Québec). Il y a eu également trois appels relatifs à des arrêtés sur l'infrastructure, dont un a été rejeté par la Cour fédérale.

La Loi ne fixe aucun délai en ce qui a trait aux arrêtés relatifs à l'infrastructure en vertu de la *Loi sur les chemins de fer*. Le temps nécessaire pour prendre des arrêtés varie en fonction de la complexité de la demande, de l'ampleur du différend et de la rapidité avec laquelle les parties répondent aux demandes d'information formulées par l'Office. Néanmoins, celui-ci a réussi, dans le cas d'émission d'arrêtés, à réduire les délais moyens de 207 jours qui ont prévalu au cours du premier trimestre de 1989, à 124 jours au cours du dernier trimestre de la même année et ce, en améliorant la procédure en place.

En outre, l'Office a procédé à l'étude de 177 autres questions dont des plaintes, des demandes de renseignements et de la correspondance ministérielle se rapportant à la construction ainsi qu'à la modification et à l'utilisation de l'infrastructure ferroviaire; 121 d'entre elles ont été traitées et 56 étaient toujours à l'étude à la fin de l'année. Les délais moyens étaient de 10 jours pour la correspondance ministérielle et les demandes de renseignements, et de 26 jours pour les plaintes.

Services de transport offerts aux personnes atteintes de déficience

En 1989, l'Office a reçu 62 plaintes et deux demandes officielles concernant le transport des personnes atteintes de déficience. Il s'agissait aussi bien de questions générales comme le niveau de service et l'accès aux installations, que de préoccupations d'une mère qui souhaitait avoir accès à un moyen de transport convenable pour amener son enfant dans des établissements de santé. L'Office a terminé l'étude de 38 des 62 plaintes, et 24 n'avaient pas encore été tranchées à la fin de l'année de même que deux demandes officielles. En moyenne, l'Office a mis 29 jours à étudier chaque plainte.

Fusions et acquisitions

L'Office a été saisi de quatre projets d'acquisition d'entreprises de transport aérien exigeant la publication d'un avis public. Dans tous les cas, l'avis a paru dans la *Gazette du Canada* dans les deux semaines suivant la réception du dossier complet. Trois de ces projets n'ayant soulevé aucune objection, l'examen prévu dans la Partie VII de la LTN 1987, n'a pas été nécessaire.

Le 25 janvier 1989, l'Office a été avisé que la société PWA projetait d'acquérir Wardair Inc. par voie d'offre publique d'achat adressée à tous les détenteurs d'actions des catégories A et B. L'avis portant sur ce projet d'achat a été publié dans la *Gazette du Canada*, le *Globe and Mail* et *La Presse*, le 4 février 1989. Plusieurs objections ont été communiquées à l'Office.

Le 22 mars 1989, l'Office statuait que le projet d'acquisition n'allait pas à l'encontre de l'intérêt public. Il ne l'a donc pas refusé. Il a jugé que, s'il rejetait ce projet d'acquisition, il aggraverait les difficultés financières que Wardair Inc. éprouvait. Ce facteur a pesé plus lourd que toute baisse éventuelle de la concurrence.

L'Office a été saisi en 1989 de six projets d'acquisition d'entreprises de transport par véhicules à moteur. Dans tous les cas, il y a eu publication d'un avis dans la *Gazette du Canada*. Comme aucune objection n'a été soulevée, toutes les parties ont été informées, dans la semaine suivant la période de 30 jours d'avis public, que l'Office n'entreprendrait aucune autre étude sur les projets d'acquisition. Les demandes concernant les projets d'acquisition d'entreprises de camionnage ont nécessité en moyenne 38 jours avant d'être complétées, entre la date de leur réception à l'Office et le règlement du dossier.

RATIONALISATION DU RÉSEAU FERROVIAIRE

Demandes d'abandon d'embranchements

Les dispositions de la LTN 1987 relatives à l'abandon d'embranchements ont été conçues pour rationaliser les dispositions correspondantes de la *Loi sur les chemins de fer* en établissant des critères, des règles et des délais très précis pour tous les aspects de la procédure.

Durant sa deuxième année d'activité, l'Office a terminé l'étude des demandes soumises à son prédécesseur,

d'elles dans les 90 jours prévus par la Loi, alors que l'autre, reçue vers la fin de novembre, était toujours à l'étude à la fin de l'année.

Huit demandes d'intérêt public concernant les tarifs ferroviaires ont été reçues en 1989. Trois d'entre elles ont été retirées. L'Office s'est prononcé sur les cinq autres dans le délai de 120 jours fixé par la Loi. L'une de celles-ci a ensuite fait l'objet d'un appel auprès de la Cour fédérale, qui a rejeté la requête de l'appelant.

À la demande du ministre des Transports, une enquête publique importante sur la politique d'établissement des prix de VIA a débuté en 1989 et a, par la suite, été interrompue en raison de très importantes compressions dans la contribution fédérale au financement de VIA. En outre, l'Office a donné suite à 50 demandes du Ministre portant sur des questions relatives aux tarifs et aux services.

Plaintes et enquêtes - Services de transport par eau

Il avait été mentionné dans l'Examen annuel de 1988 que le Canadian Meat Importers Committee avait déposé auprès de l'Office une plainte officielle contre la Australia-Eastern Canada Shipping Conference en vertu de l'article 59 de la LTN 1987. Le Comité soutenait que la conférence percevait des frais de transport sous température dirigée pour les conteneurs de viande congelée transportés entre Halifax et Montréal, et que, puisque le taux établi pour le transport des marchandises par les commissions de commercialisation en Australie et en Nouvelle-Zélande comprenait le coût de transport sous température dirigée jusqu'au port de livraison, l'imposition de ces frais par la conférence équivalait à recouvrer une deuxième fois une partie du coût du transport.

À la lumière des réponses reçues des commissions australienne et néo-zélandaise, l'Office a conclu, 205 jours après le dépôt de la plainte officielle (les deux parties ayant accepté de prolonger la période de 120 jours prévue par la Loi), que l'imposition des frais n'avait pas pour conséquence de doubler les coûts de transport et, par conséquent, n'était pas contraire à l'intérêt public.

Médiation et arbitrage - Services aériens

La médiation est un mode de règlement des différends qui s'exerce sur une base volontaire et informelle et qui ne lie pas les parties. Au cours de l'année 1989, l'Office n'a été appelé à régler, par voie de médiation ou d'arbitrage, aucun différend dans le domaine des transports aériens.

Médiation et arbitrage - Services ferroviaires

En 1989, il y a eu 43 demandes d'aide pour régler des différends entre des expéditeurs, des municipalités, des propriétaires terriens et des compagnies ferroviaires. Parmi les questions en cause, notons les prix de ligne concurrentiels et les services, la construction et l'élimination d'infrastructures ferroviaires, les raccordements entre chemins de fer, la limite de responsabilité à l'égard des conteneurs et la mise en place d'autres moyens de transport à la suite de l'abandon de lignes ferroviaires.

Aux termes de la Loi, il doit être donné suite aux demandes officielles de médiation dans un délai de 30 jours. Dans la majorité des cas, ces demandes ont été examinées à la satisfaction des deux parties dans les délais fixés. Les délais statutaires ont été dépassés dans certains cas, soit à la demande des parties, soit avec leur assentiment, afin d'étudier plus à fond divers moyens de régler le différend.

Il est possible de recourir à l'arbitrage pour régler des différends de nature privée ou de portée limitée concernant des tarifs ou des conditions de transport. L'arbitrage doit se faire dans un délai de 90 jours et la décision de l'arbitre est exécutoire. L'Office a reçu une demande d'arbitrage au cours de l'année, mais elle a ensuite été retirée, les parties ayant réussi à négocier un règlement.

Infrastructure ferroviaire

À la suite de l'adoption de la *Loi sur la sécurité ferroviaire*, entrée en vigueur le 1er janvier 1989, l'Office a cédé à Transports Canada les fonctions de sécurité ferroviaire qui lui étaient attribuées. Les responsabilités que l'Office continue d'assumer en cette matière concernent principalement la commodité et l'intérêt publics et sont exercées en vertu de la *Loi sur les chemins de fer*. Elles ont été confiées à une nouvelle direction relevant de la Direction générale du règlement des différends et dont le rôle est de traiter toutes les demandes ainsi que résoudre tous les différends relatifs à l'infrastructure ferroviaire.

L'une des premières tâches de cette direction a consisté en l'étude des 917 demandes concernant l'infrastructure ferroviaire soumises à l'Office avant le 1er janvier 1989. De ce nombre, 582 portaient uniquement sur des questions de sécurité et avaient donc été adressées à la Direction de la sécurité

RÈGLEMENT DES DIFFÉRENDS

Plaintes et enquêtes - Services aériens

L'Office a mené huit enquêtes d'intérêt public en vertu de l'article 59 de la LTN 1987. Dans tous les cas, il s'agissait de l'abandon, par Air Canada, du service intérieur de transport de fret par avion à réaction à Stephenville (Terre-Neuve). Les demandeurs ont allégué qu'en raison de la disparition de ce service, la capacité de transport de fret serait insuffisante et qu'il n'y aurait pas de service sans escale pour les livraisons urgentes et les denrées périssables. En outre, selon les demandeurs, cette initiative de la compagnie aérienne constituerait un obstacle indu qui entraverait le développement d'industries des secteurs primaire et secondaire et nuirait gravement aux relations commerciales avec les grands centres financiers canadiens ainsi qu'avec l'étranger. Enfin, un demandeur a soutenu que le retrait du service était illégal parce qu'il allait à l'encontre de l'esprit de la Loi. Après avoir examiné tous les arguments invoqués par les diverses parties, l'Office a conclu que l'initiative d'Air Canada à Stephenville n'était pas préjudiciable à l'intérêt public. Toutes les décisions ont été rendues en deçà du délai de 120 jours requis par la Loi.

L'Office a aussi reçu 315 plaintes écrites d'une complexité variable et quelque 130 plaintes verbales portant sur divers aspects des services aux passagers. Environ 25 p. 100 de ces plaintes concernaient les services intérieurs et le reste les services internationaux. Ce sont les plaintes portant sur les taux, leur niveau, les termes et conditions et l'accès qui ont été déposées en plus grand nombre auprès de l'Office; elles étaient suivies des plaintes liées aux retards, aux annulations ainsi qu'aux transporteurs nolisés et aux voyagistes. Les pertes, délais ou dommages aux bagages, le niveau et la qualité de service ainsi que la surréservation représentent les autres sources de plaintes du public. Il y a eu davantage de plaintes verbales. Or, cela s'explique par les nombreux appels dus à la demande de protection par Eastern Airlines, sous le chapitre 11 de la loi américaine sur la faillite.

Il a fallu en moyenne 31 jours pour traiter chacune des 315 plaintes écrites, soit 26 de moins que la moyenne de 57 jours rapportée en 1988.

Plaintes et enquêtes - Services ferroviaires

En 1989, les demandes d'interconnexion et les questions connexes ont constitué la majeure partie de la charge de travail. Au cours de l'année, neuf dossiers concernant les dispositions sur l'accès à des services concurrentiels ont été traités. Des neuf cas traités, il y a eu cinq demandes d'extension de la zone d'interconnexion. Deux d'entre elles ont été retirées alors que le traitement relatif à deux autres demandes a été reporté à 1990 et une demande a fait l'objet d'une décision. L'Office a rejeté la demande de Celgar Pulp Co., alléguant que le point d'échange des marchandises, à Nelson (C.-B.), ne pouvait être considéré comme un point de correspondance. Deux des quatre autres dossiers ont été réglés en 1989 et deux autres ont été reportés à 1990. Trois appels concernant les décisions de 1988 sur l'interconnexion sont encore en instance, deux à la Cour fédérale et le troisième auprès du gouverneur en conseil.

Une demande faite en vertu des dispositions législatives sur les droits de circulation et l'usage commun des voies a été reçue et traitée au cours de l'année.

En 1989, cinq plaintes ayant trait aux obligations des transporteurs ferroviaires ont fait l'objet d'une enquête. Deux d'entre elles ont été formulées tard dans l'année, si bien qu'elles ont été reportées à 1990. Pour ce qui est des trois autres, l'une a été retirée et l'Office a rendu des décisions sur les deux dernières dans le délai de 120 jours prescrit par la Loi. À la fin de l'année, la Cour fédérale ne s'était toujours pas prononcée sur un appel visant une décision rendue en 1988.

Dix plaintes officielles au sujet du service voyageurs ont également fait l'objet d'une enquête. Huit de ces dossiers ont été réglés au cours de l'année, et l'enquête se poursuit dans les deux autres cas. Le règlement de chaque dossier a demandé en moyenne 66 jours.

En 1989, l'Office a reçu deux demandes d'établissement de prix de ligne concurrentiels. Dans les deux cas, le délai de 45 jours fixé par la Loi a été respecté. En octobre, l'Office a établi pour Alberta Gas Chemicals Inc. un prix de ligne concurrentiel pour l'acheminement du méthanol par CP Rail. L'application du prix de ligne concurrentiel établi en 1988 par l'Office a été prolongée. CP Rail a interjeté appel au sujet du taux de 1988, appel qui a été rejeté par la Cour fédérale en 1989. Vers la fin de l'année, une décision de l'Office fixant trois prix de ligne concurrentiels pour l'acheminement de l'huile de colza Canola de CSP Foods Limited a fait l'objet d'un appel auprès de la Cour fédérale.

Deux demandes concernant des prix de transport ferroviaire non compensatoires ont été traitées au cours de l'année. L'Office a achevé l'examen de l'une

30 p. 100 d'entre elles ont exigé un délai variant de 91 à 119 jours et 12 p. 100 ont nécessité 120 jours avant d'être complétées. Six pour cent des demandes auront nécessité un délai de traitement supérieur aux 120 jours prévus par la Loi (la proportion était de 12 p. 100 en 1988). Les demandes dont l'étude s'étend sur plus de 120 jours exigent le plus souvent des plaidoyers inhabituels ou alors, il s'agit de cas où le demandeur doit faire paraître un nouvel avis.

Trente-huit demandes de suspension ou d'annulation de permis ou de parties de permis concernant des services en provenance, à destination ou à l'intérieur de la zone désignée, ont été étudiées, dont 47 p. 100 des cas en moins de 30 jours. Un autre 47 p. 100 de cas a nécessité un délai de traitement variant de 31 à 61 jours. Les deux autres demandes ont été réglées en moins de 112 jours. Quant aux 13 demandes d'autorisation temporaire, de dispense et d'exemption, 69 p. 100 ont été traitées en moins de 23 jours et toutes les autres en moins de 53 jours.

Soixante-dix autres demandes portant sur les services aériens intérieurs étaient toujours à l'étude à la fin de l'année.

En 1989, l'Office a reçu 56 demandes d'exploitation de services aériens internationaux réguliers. Cependant, en ce qui a trait à l'étude de ces demandes, l'Office n'est assujetti à aucun délai prescrit par la Loi. Ces demandes ont été traitées avec diligence par l'Office, soit en-deçà de 30 jours en moyenne.

Parmi les 185 demandes d'exploitation de services aériens internationaux à la demande, 34 ont exigé un avis public, étape qui requiert 45 jours. Des 213 demandes traitées en 1989, 61 p. 100 ont nécessité moins de 60 jours, 38 p. 100, entre 60 et 120 jours et 1 p. 100, un délai supérieur aux 120 jours prévus par la Loi.

Cinq demandes d'autorisation temporaire concernant les services internationaux ont été reçues et une a été retirée. Trois d'entre elles ont été traitées dans les 15 jours suivants et une en 40 jours. Les 49 demandes d'exemption ont été traitées en moyenne en 22 jours. Il y a eu 15 demandes de suspension ou d'annulation de permis autorisant des services internationaux, dont 33 p. 100 ont été étudiées en 30 jours; 60 p. 100 ont exigé entre 31 et 49 jours, et aucune n'a nécessité plus de 57 jours pour son traitement.

En fin d'année, 95 autres demandes de services internationaux étaient encore à l'étude.

Demandes d'autorisation de vol affrété

L'Office a reçu 3 529 demandes d'exploitation de programmes spécifiques d'affrètement, dont deux seulement concernant des vols affrétés intérieurs. La réglementation établit des critères différents de dépôt préalable de renseignements pour chaque type de vol affrété, et le délai imparti à l'Office pour traiter les dossiers varie selon le type de vol. Dans tous les cas, ceux-ci ont été traités avant la date de départ des vols proposés.

Sur ces 3 500 demandes et plus, 650 étaient accompagnées de requêtes d'exemption. Celles-ci ont été étudiées en même temps que ces demandes. Enfin, trois d'entre elles ont été rejetées parce que les données financières requises au sujet du voyagiste n'avaient pas été fournies.

Demande de permis de service ferroviaire

À la suite d'une audience publique tenue à Sault Ste. Marie, l'Office a rendu une décision rejetant un accord de cession qui prévoyait la cession de la Division des chemins de fer de l'Algoma Central Railway à une société distincte en propriété exclusive, l'Algoma Central Railway Inc.

Demandes de service d'approvisionnement par eau dans le Nord

La SJI Enterprises Ltd., qui mène ses activités sous la raison sociale Lake Athabasca Transport, a été la seule à demander en 1989 un permis d'approvisionnement par eau. Le 31 janvier 1989, l'Office a reçu la demande officielle de la SJI et l'a approuvée le 22 juin 1989 malgré une objection de la A. Frame Contracting Ltd., principal transporteur maritime de l'Athabasca. L'Office a délivré à la Lake Athabasca Transport un permis d'approvisionnement d'une saison.

La Beluga Tours Ltd., qui avait publié son avis de demande d'approvisionnement par eau dans le réseau du Mackenzie et de l'ouest de l'Arctique en juin 1988, a obtenu un permis de durée indéfinie le 6 février 1989. Étant donné que le transporteur avait tardé à produire la documentation pertinente à sa demande, l'Office n'a pu délivrer le permis dans les meilleurs délais.

LA DEUXIÈME ANNÉE DE L'OFFICE

La présente section du rapport traite d'un aspect particulier du mandat de l'examen : « les délais nécessaires pour l'étude des demandes, plaintes ou autres questions soumises à l'Office en vertu de toute loi fédérale ».

Les données de 1989 concernant la charge de travail de l'Office sont classées selon trois grandes fonctions d'exécution : la délivrance de permis, le règlement des différends et la rationalisation du réseau ferroviaire. On tient également compte des demandes de révision.

PERMIS

Demandes de permis de service aérien

L'Office a reçu 41 demandes d'autorisation d'exploitation de nouveaux services aériens ou de services aériens modifiés dans le sud du Canada. Quatre autres demandes ont été reportées de 1988. Deux demandes ont été retournées au requérant. Des 37 demandes étudiées en 1989, 83 p. 100 ont été réglées dans les 30 jours qui ont suivi, tandis que 17 p. 100 ont exigé un délai variant de 30 à 47 jours. Près de la moitié (46 p. 100) des 24 demandes visant à suspendre ou annuler des services dans le sud du Canada ont été traitées dans les 30 jours et toutes les autres ont nécessité au plus 63 jours.

L'Office a reçu 260 demandes d'exploitation de services nouveaux ou modifiés de transport aérien intérieur en provenance, à destination ou à l'intérieur de la zone désignée, et 77 demandes ont été reportées de l'année précédente. Sept demandes ont été retirées, une a été retournée au requérant et une autre a été annulée par l'Office. Ces demandes doivent faire l'objet d'un avis public. Ainsi, les parties intéressées ont la possibilité de s'objecter et les demandeurs, celle de répliquer. Cette étape prend normalement 45 jours.

Sur les 273 demandes traitées en 1989, 52 p. 100 ont fait l'objet d'une décision dans un délai de 90 jours;

Transport par eau		Transport		Tous les autres secteurs	
Emploi	Rémunération hebdomadaire moyenne*	Emploi	Rémunération hebdomadaire moyenne	Emploi	Rémunération hebdomadaire moyenne*
26 972	720	471 212	576	10 343 447	487
24 285	678	460 840	556	10 106 900	464
25 033	654	455 200	527	9 945 658	443
28 730	607	477 299	509	9 705 524	426
27 651	601	478 701	495	9 512 424	415
28 049	573	473 693	479	9 142 361	401
29 702	559	463 962	462	9 029 775	385
32 458	509	488 757	423	9 457 553	361
35 884	455	515 820	379	10 061 479	328
35 848	407	520 295	338	9 850 293	293
33 836	378	504 114	304	9 744 701	266
34 553	342	497 277	280	9 473 176	245

Transport par eau

Cas		Travailleurs concernés	
A	B	A	B
3	1	227	2 300
2	3	234	5 500
4	1	691	750
5	1	746	4 280
1	–	78	–
–	–	–	–
3	–	146	–
2	1	157	3 500
5	–	206	–
10	2	1 435	2 050
13	3	1 662	5 750
10	1	495	780

Distribution régionale de l'emploi dans les transports en 1989 (données préliminaires)

Province	Nombre de travailleurs	Pourcentage
Terre-Neuve	7 415	1,5
Île du Prince-Édouard	2 026	0,4
Nouvelle-Écosse	13 135	2,8
Nouvelle-Brunswick	12 534	2,7
Québec	115 442	24,5
Ontario	155 892	33,1
Manitoba	28 325	6,0
Saskatchewan	13 469	2,9
Alberta	51 628	11,0
Colombie-Britannique	68 933	14,6
Total	471 212	

Source : Statistique Canada

Emploi et rémunération

	Air		Rail		Camionnage	
Année	Emploi	Rémunération hebdomadaire moyenne*	Emploi	Rémunération hebdomadaire moyenne*	Emploi	Rémunération hebdomadaire moyenne*
1989**	64 136	657	72 695	733	117 392	529
1988	59 530	636	76 743	699	115 234	509
1987	55 242	606	79 983	664	112 400	474
1986	55 302	589	88 880	621	112 659	449
1985	53 899	576	92 094	585	114 507	449
1984	53 334	569	96 659	572	111 409	431
1983	49 540	561	95 948	533	100 029	415
1982	50 366	563	102 190	465	108 979	373
1981	52 132	508	111 710	412	121 864	345
1980	51 741	439	113 520	375	124 848	317
1979	48 286	386	119 228	330	110 204	297
1978	44 336	351	116 620	304	107 915	276

* : En dollars courants
** : Données de 1989 sont préliminaires
Source : Statistique Canada

Grèves et lock-out

	Air				Rail				Camionnage			
	Cas		Travailleurs concernés		Cas		Travailleurs concernés		Cas		Travailleurs concernés	
Année	A	B	A	B	A	B	A	B	A	B	A	B
1989	3	–	187	–	4	–	444	–	11	1	1 095	1 716
1988	3	1	476	540	–	1	–	3 000	5	–	214	–
1987	3	1	630	8 300	–	1	–	48 660	3	–	92	–
1986	4	2	177	3 683	1	–	102	–	4	–	73	–
1985	6	4	194	12 439	–	–	–	–	6	–	79	–
1984	3	–	125	–	–	–	–	–	5	–	366	–
1983	4	–	478	–	1	1	245	1 320	12	–	465	–
1982	5	–	799	–	–	–	–	–	8	2	482	4 500
1981	7	1	1 161	600	–	–	–	–	9	1	1 024	750
1980	9	–	560	–	4	1	385	2 000	10	–	904	–
1979	3	1	527	1 154	1	2	140	2 683	9	2	865	3 250
1978	5	2	500	8 050	8	4	1 271	6 145	12	–	766	–

A : Firmes de moins de 500 travailleurs
B : Firmes de 500 travailleurs et plus
Source : Travail Canada

Un certain nombre de conventions collectives importantes dans le secteur des transports ont expiré ou vont expirer en 1990. Voici les plus importantes :

Air Canada : pilotes, employés des services financiers, agents de bord, employés de service et d'entretien, employés de la direction des ventes et des services;

Lignes aériennes Canadien International : employés d'entretien des appareils, agents de bord, employés de service et d'entretien, employés de la comptabilité, de l'administration et des services d'information, agents passagers;

Motorways Ltd. : employés d'entrepôt, chauffeurs et autres employés;

Canadien Pacific Express et Transport : employés d'entrepôt, chauffeurs, mécaniciens, commis; débardeurs de l'Association des employeurs maritimes.

Le nombre de conventions collectives signées reflète l'état des relations patronales-syndicales. Un autre baromètre est le nombre de cas, concernant les transports, soumis au Conseil canadien des relations de travail. Le Conseil est un organisme quasi judiciaire qui administre, interprète et applique les dispositions du Code canadien du travail portant sur les relations industrielles. En 1988-1989, la charge de travail du Conseil, provenant du secteur des transports, ne s'écartait guère de la moyenne, exception faite d'un accroissement du nombre de plaintes de pratiques déloyales de travail émanant du transport routier. Il faut préciser que 109 des 170 plaintes mettaient en cause deux parties, C.P. Express et le Syndicat international du transport-communications.

GRÈVES ET LOCK-OUT

Le nombre de grèves et de lock-out signalés en 1989 a été semblable à celui des années précédentes, sauf pour le camionnage et les services ferroviaires. Pourtant, le nombre de travailleurs en cause et de jours non travaillés en raison de grèves et de lock-out a été à la baisse. Voici, dans les divers modes de transport, les grèves et les lock-out les plus importants, en 1989 :

- chemins de fer : Devco Railway, B.C. Rail et Southern Railway of B.C;
- camionnage : Asselin Transport Ltée, Transport Eudide Asselin Inc., Ste-Anne Express, Motor Transport Industrial Relations Bureau of Ontario, Hutton Transport Ltd., Lake Ontario Cement, Cushman Cartage & Float Inc., Koch Transport Ltd., Northern Industrial Carriers Ltd., Phil Hall Ltd., Alltrans Express Ltd. (Div. TNT Canada) et XTL Transport Inc.;
- transports aériens : Airconsol Aviation Services Ltd., Eastern Airlines et Metropol Airport Security Services;
- transports maritimes : port de Saint John, Gravel and Lake Services Ltd. (Thunder Bay) et gouvernement du Canada (équipages des bateaux).

Après deux ans de déréglementation, les parties semblent résoudre les problèmes de relations de travail en tentant d'éviter les situations où une partie gagne et l'autre perd, celles-ci rendant par la suite plus difficile de saines relations. Il faut ajouter que 1990 sera une année importante dans le transport aérien, car de nombreuses conventions doivent être renégociées.

Augmentation de l'indice des prix à la consommation, hausses salariales négociées et augmentation de la rémunération hebdomadaire moyenne, en pourcentage

		Hausses salariales négociées		Augmentation de la rémunération hebdomadaire moyenne	
	Indice des prix à la consommation	Transport et communication	Toutes les industries	Transport	Toutes les industries
1989	5,0%	4,5%	5,3%	3,6%	5,0%
1988	4,1%	3,6%	4,3%	5,5%	4,7%
1987	4,3%	3,1%	4,1%	3,5%	4,0%
1986	4,0%	3,3%	3,5%	2,8%	2,7%

Source : Travail Canada et Statistique Canada

l'emploi dans ce secteur un an avant que ce ralentissement économique ait des répercussions sur le niveau d'emploi en général. La relance de l'emploi après la récession n'a pas été soutenue dans le secteur des transports comme elle l'a été dans l'ensemble de l'économie. En fait, la baisse de l'emploi dans tout le secteur des transports s'est poursuivie entre 1984 et 1987. Pendant ces quatre années, il n'y a eu croissance soutenue de l'emploi que dans les transports aériens. Par contre, en 1986 et 1987, dans le secteur du camionnage, on observait une réduction des effectifs. En dépit de la relance récente, le niveau de l'emploi dans le camionnage demeure inférieur à ce qu'il était avant la récession. La situation est analogue dans le secteur maritime.

En 1989, on a constaté une diminution de l'emploi dans le domaine des transports à l'Île du Prince-Édouard, en Ontario et en Saskatchewan, provinces touchées par un ralentissement de l'activité économique. L'emploi dans les services de camionnage a diminué pour la troisième année consécutive en Ontario et pour la quatrième année de suite en Alberta. Par contre, l'emploi dans ce secteur a atteint un niveau record au Nouveau-Brunswick, au Québec, au Manitoba et en Colombie-Britannique. Quant aux services aériens, l'emploi a augmenté dans toutes les provinces, sauf en Nouvelle-Écosse, province qui a toutefois bénéficié, tout comme la Colombie-Britannique et le Canada central, d'une hausse de l'emploi dans les transports maritimes. On a observé une baisse de l'emploi dans le secteur ferroviaire, partout au Canada.

RÈGLEMENTS SALARIAUX ET RÉMUNÉRATION

Les règlements salariaux et l'augmentation de la rémunération hebdomadaire moyenne ont été inférieurs à la moyenne nationale dans le secteur des transports.

En général, la rémunération hebdomadaire moyenne a augmenté de 5 p. 100 en 1989, mais la hausse a été de 3,6 p. 100 dans le domaine du transport. L'augmentation de la rémunération hebdomadaire moyenne dans les divers modes de transport a donc été inférieure à la moyenne nationale : 4,9 p. 100 dans le transport ferroviaire, 3,9 p. 100 dans le camionnage et 3,3 p. 100 dans le transport aérien. Une exception toutefois, celle du transport maritime, où la hausse a été de 6,5 p. 100.

La hausse de rémunération la plus importante, dans le domaine des transports, a été observée en Nouvelle-Écosse (10,3 p. 100). Suivent le Nouveau-Brunswick et le Manitoba (4,9 p. 100), l'Alberta (4,2 p. 100) et la Colombie-Britannique (4,1 p. 100). Les taux les plus faibles ont été enregistrés à Terre-Neuve (0,6 p. 100) et au Québec (1,1 p. 100). Dans toutes les autres provinces, les augmentations signalées ont varié entre 2 et 3,6 p. 100.

Les hausses concernant la rémunération hebdomadaire moyenne ne correspondent pas nécessairement aux taux négociés, car la rémunération hebdomadaire comprend le temps supplémentaire. En 1989, les négociations collectives menant à la conclusion de conventions ont occupé l'avant-scène dans le secteur ferroviaire. Les conventions signées portent sur trois ans, soit 1989, 1990 et 1991 et prévoient des augmentations annuelles de 4,5, 4 et 4,5 p. 100 respectivement pour les employés itinérants, d'entretien et non itinérants. Elles prévoient en outre une indexation partielle des prestations de retraite ainsi qu'une amélioration dans certains avantages sociaux. La convention des agents de train stipule qu'il n'y aura aucune mise à pied découlant directement de la suppression des fourgons de queue. Les agents de train et de triage qui peuvent prendre une retraite anticipée ont droit à une indemnité de départ jusqu'à l'âge de 65 ans. Quelque 1 500 employés de l'Ontario Northland Railway ont également signé une convention analogue de trois ans.

Du côté des transports maritimes, une convention de 31 mois prévoyant des augmentations de plus de 5 p. 100 et visant le personnel non breveté du Council of Marine Carriers (côte du Pacifique) est entrée en vigueur le 1er mars 1989. Les débardeurs, employés de bureau, et ouvriers non spécialisés de Marine Atlantique S.C.C. ont conclu une convention de trois ans qui prendra fin le 31 décembre 1991. Aux termes de cette convention, le nombre des unités de négociation a été ramené de dix à trois, ce qui a permis de regrouper les taux horaires et de simplifier les dispositions sur les conditions de travail.

Dans le secteur du camionnage, quelque 1 500 employés de Canadien Pacific Express et Transport (CANPAR) ont approuvé, pour 36 mois, le renouvellement d'une convention qui s'appliquera du 1er mai 1989 au 30 avril 1992. À la suite d'un arrêt de travail de trois jours en mars, le Motor Transport Industrial Relations Bureau of Ontario a signé une convention de trois ans visant 1 800 chauffeurs, employés d'entretien et autres, en Ontario et au Québec. La convention prévoit des augmentations annuelles moyennes de 5,2 p. 100 pour les employés rémunérés à l'heure et de 6,5 p. 100 pour les mécaniciens qualifiés.

L'EMPLOI

NIVEAU DE L'EMPLOI

La croissance de l'emploi dans le secteur des transports a été comparable à celle observée dans toute l'économie.

En 1989, l'emploi dans le secteur des transports au Canada a augmenté de 2,2 p. 100 par rapport à l'année précédente, ce qui correspond au pourcentage observé dans l'ensemble de l'économie, qui était de 2,3 p. 100. Plus de 471 000 personnes travaillaient dans ce secteur. Les transports aériens, ferroviaires et maritimes ainsi que le camionnage, sur lesquels portent l'examen de l'Office, absorbaient 60 p. 100 de cette main-d'œuvre. Les employés représentant les 40 p. 100 restants travaillaient dans d'autres secteurs comme le transport par autocar, le transport urbain, le taxi, le transport par pipeline, l'entretien des routes et des ponts et des services divers se rattachant aux transports.

Parmi les quatre modes de transport à l'étude, seul le secteur ferroviaire a enregistré une baisse de l'emploi, recul qui s'inscrit dans une tendance à la baisse qui se manifeste depuis longtemps.

Quant aux services aériens, une augmentation de 7,7 p. 100 de l'emploi a été signalée en 1989. Ce taux élevé correspond à celui de 1988 (7,8 p. 100) et semble révéler que les mises à pied faites par certains transporteurs en 1989 ont été compensées par de plus grands besoins en main-d'œuvre dans l'ensemble des services de transport aérien.

Après avoir connu une baisse en 1988, l'emploi dans les services de transport maritime, a progressé en 1989 de 11,1 p. 100 et cela, essentiellement à cause d'une intensification de l'activité dans les principaux ports de la côte est et de la côte ouest. Quant aux opérations de réapprovisionnement dans le Nord, la plupart des transporteurs n'ont signalé aucun changement du niveau de l'emploi.

Dans le secteur du camionnage, l'emploi a augmenté de 1,9 p. 100, comparativement à 2,5 p. 100 en 1988.

Des tendances intéressantes se manifestent au niveau de l'emploi dans le domaine des transports. En effet, la récession du début des années 1980 a touché

L'application des normes du Code est le principal indicateur de progrès en matière de sécurité utilisé dans le rapport. Au début de l'année 1988, les normes relatives à la délivrance de permis de conduire étaient intégralement appliquées et, à la fin de l'année, au moins la moitié des normes étaient en place partout sauf dans les Territoires du Nord-Ouest. On prévoyait que, dès 1989, ces normes seraient appliquées dans tout le pays sauf au Manitoba; cependant, à la suite de retards dans la mise en application d'éléments du Code, ce dernier ne pourra être pleinement en vigueur avant la fin de l'année 1990. Le rapport note que la norme relative au nombre d'heures de service s'avère la plus complexe et la plus controversée : de plus, elle est la seule qui soit assujettie à la fois à des règlements fédéraux et provinciaux.

Quant aux tendances décelées dans les accidents survenant sur les routes, le rapport fournit des données statistiques s'échelonnant entre 1970 et 1987, année précédant la réforme de la réglementation. Se fondant sur ces données, le rapport indique : « Il semble raisonnable de conclure que, sur le plan de la sécurité, la situation s'est foncièrement améliorée depuis 1973. » Néanmoins, comme les données sont incomplètes, les auteurs du rapport ne tirent aucune grande conclusion au sujet de la sécurité dans les services de transport routier. L'élaboration d'un format uniforme qu'adoptera toutes les juridictions pour rapporter les accidents, devrait assurer, à l'avenir, une plus grande uniformité des données.

SERVICES DE TRANSPORT PAR EAU

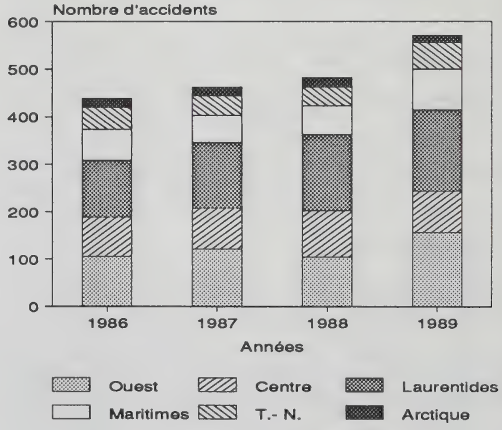
Amélioration de la sécurité dans les transports par eau en 1989.

La sécurité du transport par eau relève de Transports Canada, qui applique la *Loi sur la marine marchande du Canada* et la *Loi sur la prévention de la pollution des eaux arctiques.* En outre, la *Loi sur les marchandises dangereuses* autorise la Garde côtière canadienne à élaborer des règlements en matière de sécurité maritime par les transporteurs canadiens et étrangers qui naviguent dans les eaux canadiennes. L'entrée en vigueur de la LTN 1987 et de la LDCM 1987, ainsi que l'abrogation de la *Loi sur les transports*, n'ont rien changé aux dispositions existantes relatives à la sécurité.

Si l'on ne tient pas compte des bateaux de pêche, les données compilées par le Groupe d'enquête sur les accidents maritimes, qui relève de Transports Canada, révèlent que le nombre des accidents a diminué de 41 p. 100 dans la région du Mackenzie et de l'ouest de l'Arctique : il est passé de 17 en 1988 à 10 en 1989. Parmi ces incidents, quatre ont été occasionnés par des glaces abondantes et, dans trois cas, les navires ont eu des voies d'eau. Les autres cas sont le résultat d'échouement, d'explosion à bord et d'abordage entre deux navires; ces derniers ont occasionné des avaries mineures. Aucun des navires en cause n'appartenait à des transporteurs autorisés par l'Office à faire du réapprovisionnement dans le Nord.

Le seul transporteur de la région des Grands Lacs qui achemine des marchandises de détail n'a signalé aucun accident et ce, pour la troisième année consécutive.

GRAPHIQUE 9.2 : ACCIDENTS DÉCLARÉS DANS LES TRANSPORTS PAR EAU, PAR RÉGION CANADIENNE



Note : Ne tient pas compte des bateaux de pêche

Source : Enquêtes sur les accidents maritimes

TABLEAU 9.1
Normes du Code canadien de sécurité

Normes	Description
Profil des conducteurs et des transporteurs	Identification et dossier de sécurité
Classification des permis de conduire	Permis prévu pour le type de véhicule utilisé et délivré au conducteur
ASVC	Alliance pour la sécurité des véhicules commerciaux, contrôle sur route du conducteur et du véhicule
Formation des examinateurs	Normes appliquées aux examinateurs de conducteurs
Vérification des installations	Le transporteur doit tenir des dossiers qui font l'objet de contrôles au terminus
Premiers soins	Cours ordinaire donné aux conducteurs
Examens de la conformité	Conformité des demandeurs et des transporteurs aux critères d'aptitudes
Heures de service	Limitation des heures de conduite
Épreuves théoriques	Pour chaque catégorie de permis de conduire
Sécurité et arrimage des charges	Exigences pour l'arrimage des marchandises
Normes médicales	Normes minimales appliquées aux conducteurs, avec examens périodiques
Autocertification	Formation donnée aux conducteurs par le transporteur
Permis de conduire unique	Un conducteur ne peut pas détenir plus d'un permis canadien
Suspension	Critères prévus pour la suspension immédiate du permis de conduire durant 24 heures
Entretien des véhicules	Critères minimums d'entretien des éléments du véhicule
Ronde de sécurité	Inspection, par le conducteur, du véhicule avant et après l'utilisation
Échanges interprovinciaux de dossiers (liaison)	Une liaison informatique permettant d'échanger des renseignements sur le profil des conducteurs et des transporteurs. Sans être une norme du Code canadien de sécurité, cette liaison est un moyen indispensable de contrôler la sécurité. Elle est comprise dans les ententes de financement conclues au titre du Code.

Source : Transports Canada, Sécurité des véhicules commerciaux au Canada, rapport présenté au Parlement pour l'année 1988, décembre 1989.

types d'accidents) soient signalées au Bureau. En 1989, celui-ci a reçu 637 rapports obligatoires concernant des appareils canadiens, soit 5 p. 100 de plus qu'en 1988. Il a effectué des enquêtes sur plus de 500 accidents et sur une centaine d'incidents.

Le Bureau suit de façon constante l'évolution des données sur les accidents et incidents aéronautiques. Il analyse les tendances et signale les difficultés qui peuvent surgir et compromettre la sécurité aérienne au Canada. Ce contrôle a amené le Bureau à entreprendre un certain nombre d'études et d'enquêtes spéciales en vue de déceler certaines lacunes en matière de sécurité et de recommander des mesures correctives. La nouvelle *Loi de 1989 sur le Bureau canadien d'enquête sur les accidents de transport et de la sécurité des transports* définit expressément ce rôle.

SERVICES FERROVIAIRES

Malgré une baisse du taux d'accidents ferroviaires, il y a eu augmentation du nombre de victimes en 1989.

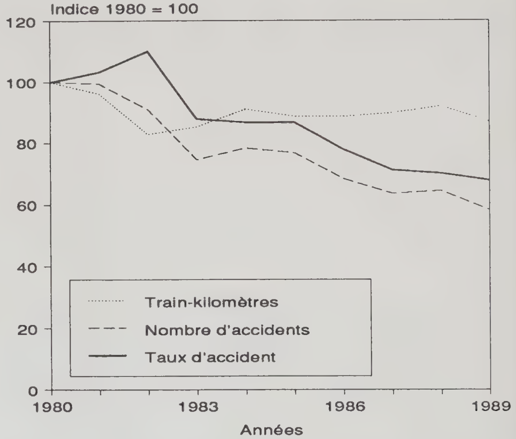
La *Loi sur la sécurité ferroviaire* est entrée en vigueur en 1989. Cette mesure législative a pour effet de confier la sécurité ferroviaire au nouveau Bureau canadien d'enquête sur les accidents de transport et de la sécurité des transports. Cependant, l'Office national des transports était responsable en 1989 des enquêtes sur les accidents ferroviaires et de pipeline.

Selon les données préliminaires de l'Office pour 1989, le nombre total d'accidents ferroviaires a diminué de 6,8 p. 100. La réduction de 17,7 p. 100 dans les accidents aux terminaux et de 7,0 p. 100 aux passages à niveau est le principal facteur qui a contribué à réduire le taux d'accidents.

S'il y a eu réduction du nombre des accidents de train, il y a eu par contre, une augmentation de 11,9 p. 100 des déraillements en voie principale; quant aux collisions en voie principale, leur nombre est demeuré à peu près le même.

En 1989, il y a eu 6,2 accidents de train par million de train-kilomètres, contre 6,3 en 1988. Le graphique 9.1 illustre le taux des accidents ferroviaires et permet de mettre en parallèle le nombre d'accidents avec celui des train-kilomètres. En dépit de cette baisse du nombre d'accidents ferroviaires, ceux-ci ont fait 91 victimes en 1989, c'est-à-dire 52 p. 100 de plus que les 60 dénombrées en 1988. Presque tous ces accidents mortels se sont produits à des passages à niveau.

GRAPHIQUE 9.1 : TAUX DES ACCIDENTS FERROVIAIRES (ACCIDENTS FERROVIAIRES PAR TRAIN-KILOMÈTRE)



Source : Données relatives aux accidents ferroviaires rapportées à l'Office

SERVICES DE CAMIONNAGE

Transports Canada a publié le premier de six rapports annuels sur la sécurité des véhicules commerciaux.

La *Loi de 1987 sur les transports routiers* exige une étude annuelle qui rend compte des progrès accomplis dans l'application des règles et normes de sécurité et qui fait état des tendances observées dans les accidents de la route mettant en cause des véhicules exploités par des entreprises extra-provinciales. Transports Canada a publié à la fin de 1989, le premier rapport prévu par la Loi, soit celui portant sur l'année 1988.

Selon ce rapport, le Code national de sécurité (CNS), composé de 16 normes (voir tableau 9.1), a été approuvé par les autorités fédérales, provinciales et territoriales. Les provinces et les territoires ont accepté de les appliquer, sous réserve de quelques exceptions. Ainsi, l'Alberta n'appliquera pas la norme des rondes de sécurité, Terre-Neuve et l'Île du Prince-Édouard celle de l'autocertification, la Saskatchewan et le Québec celle des premiers soins, l'Ontario, la Nouvelle-Écosse et l'Île du Prince-Édouard celle qui porte sur la suspension du permis de conduire pour une courte durée. Selon le même rapport, ces exceptions ne réduiront d'aucune façon l'efficacité du Code.

LA SÉCURITÉ

La politique nationale des transports, dont l'un des objectifs est la sécurité dans tous les modes de transport, est contenue dans la LTN 1987. Étant donné que l'Office doit effectuer son examen en tenant compte de cette politique, la présente section comporte un bref aperçu de l'aspect de la sécurité en 1989, dans les divers modes de transport.

SERVICES AÉRIENS

La fréquence des accidents dans les services commerciaux de transport aérien est demeurée inchangée par rapport à celle de 1988.

Les éléments reliés à la sécurité dans l'industrie du transport aérien sont définis principalement dans la *Loi sur l'aéronautique*, remaniée en profondeur en 1985 afin d'assurer le maintien de normes élevées de sécurité jusqu'au siècle prochain. De plus, en vertu de la *Loi de 1984 sur le Bureau canadien de la sécurité aérienne*, un nouvel organisme a été créé afin de faire enquête sur tous les accidents et incidents d'aviation civile et de faire des recommandations en matière de sécurité.

Selon les données statistiques préliminaires du Bureau canadien de la sécurité aérienne, le nombre des accidents mettant en cause des aéronefs commerciaux immatriculés au Canada a augmenté en 1989, mais le taux (c'est-à-dire le nombre d'accidents pour 100 000 heures de vol) est demeuré pour ainsi dire le même depuis 1988. Les transporteurs de niveau I, soit Air Canada, Canadien et Wardair, n'ont eu aucun accident au cours de l'année 1989, ni au cours des cinq années précédentes.

Le nombre d'accidents mortels mettant en cause des appareils commerciaux canadiens a diminué en 1989 par rapport à 1988, mais le nombre des victimes a été plus élevé. Cette dernière statistique s'explique avant tout par un accident, soit celui de Dryden (Ontario), qui a fait 24 morts. Le nombre total de victimes s'est élevé à 82 en 1989, soit 17 de plus que la moyenne annuelle de 65 observée au cours des années 80.

La réglementation du Bureau canadien de la sécurité aérienne exige que certaines catégories d'incidents (accidents aéronautiques à l'exclusion des autres

réglementation confirmera les droits acquis par les voyageurs atteints de déficience, sous l'ancienne loi (*Loi nationale de 1967 sur les transports*) et permettra l'adoption d'une première série de normes d'accessibilité des transports aériens.

Ateliers régionaux

Au cours de 1989, trois ateliers régionaux sur l'accès aux services de transport pour les aveugles et autres handicapés visuels ont été présentés à Montréal, Toronto et Edmonton. Des exploitants d'aérogare, transporteurs, voyageurs souffrant d'un handicap visuel, spécialistes de la réadaptation, organismes de service et fonctionnaires ont été mis au courant des besoins de ce groupe particulier de voyageurs. On a discuté des solutions à apporter à divers problèmes.

Comité consultatif sur les normes d'accessibilité

Un comité consultatif spécial, composé de représentants des transporteurs, d'organisations créées par et pour les personnes atteintes de déficience, ainsi que des ministères et organismes du gouvernement, a été établi afin de faciliter l'élaboration de normes d'accessibilité régissant l'équipement de transport.

Coordination avec la Commission canadienne des droits de la personne

L'Office et la Commission canadienne des droits de la personne coordonnent leurs activités relatives aux services de transport fournis aux personnes atteintes de déficience.

Difficultés décelées et réglées

L'Office a entrepris une enquête sur les frais et les conditions imposés par les transporteurs aériens pour l'utilisation en vol d'un équipement dispensateur d'oxygène. Depuis cette enquête, Air Canada prend des dispositions à l'avance pour les voyageurs ayant à utiliser de l'oxygène en cours de vol en facilitant la correspondance entre les vols. Les lignes aériennes Canadien international ont abandonné leur structure de prix par secteur pour les passagers ayant un équipement dispensateur d'oxygène, ce qui s'est traduit par des économies substantielles sur certains trajets.

La question de l'accès aux traversiers par les voyageurs atteints de déficience a été étudiée et la Northumberland Ferries Ltd. a été au cœur de cette étude.

Donnant suite aux instances de l'Office, Air Canada, les lignes aériennes Canadien international et Wardair ont supprimé les frais exigés pour le transport de machines de dialyse vers certaines destinations.

Enquête auprès des transporteurs

Un questionnaire portant sur les divers modes de transport a été distribué aux transporteurs afin de recueillir de l'information sur les services offerts aux voyageurs atteints de déficience.

Selon les résultats, la plupart des transporteurs assurent des services spéciaux en matière de sécurité aux personnes atteintes de déficience telles que des séances d'information particulières sur les caractéristiques de sécurité de l'équipement et les méthodes spéciales d'évacuation. Du point de vue du transporteur, l'embarquement et l'accès aux véhicules ne présentent pas de difficultés sérieuses. Les principaux transporteurs aériens offrent une formation spéciale aux employés pour qu'ils puissent répondre aux besoins des personnes atteintes de déficience, mais rares sont les plus petits transporteurs dispensant une telle formation. Le questionnaire a aussi permis de faire ressortir l'insuffisance de l'information adaptée aux voyageurs atteints de déficience ainsi que les divergences dans les conditions particulières de transport des personnes atteintes de déficience.

Des transporteurs ont exprimé des craintes face à des problèmes médicaux à caractère urgent qui peuvent survenir durant le vol.

Dans l'ensemble, les transporteurs aériens estiment que le gouvernement n'a pas à proposer de politique ou d'orientation, car ils peuvent se débrouiller très bien seuls et répondre aux besoins de tous les voyageurs, y compris ceux qui sont atteints de déficience.

Brochure sur les pouvoirs de l'Office

Une brochure intitulée *Espace à découvrir - Améliorer l'accessibilité aux voyageurs* définit les pouvoirs conférés à l'Office par les modifications apportées en juillet 1988 à la LTN 1987. La brochure a été diffusée auprès des transporteurs, des associations et des organisations créées par et pour les personnes atteintes de déficience.

LES SERVICES DE TRANSPORT OFFERTS AUX PERSONNES ATTEINTES DE DÉFICIENCE

« Un passage par personne »

En 1988, l'Office a fait circuler un avis au sujet du passage payé par les personnes qui accompagnent des voyageurs atteints de déficience et des places supplémentaires que doivent occuper des personnes atteintes de déficience ou souffrant d'obésité. Cet avis a permis d'entamer des discussions avec les parties intéressées au sujet d'une réglementation qui permettrait aux personnes accompagnant un voyageur atteint de déficience de se déplacer gratuitement et aux personnes atteintes de déficience ou souffrant d'obésité d'occuper des sièges supplémentaires sans frais.

Au cours de 1989, un certain nombre de facteurs, notamment les divers aspects économiques des propositions, ont été analysés afin de préparer la décision de l'Office. Il s'agissait de déterminer si le passage exigé par les compagnies aériennes pour les personnes accompagnant des voyageurs atteints de déficience et les places supplémentaires que doivent payer les personnes atteintes de déficience ou souffrant d'obésité constituaient ou non des obstacles indus à leurs déplacements.

Termes et conditions de transport

À la suite des réactions suscitées par son avis publié en 1988 sur la réglementation des termes et conditions de transport des voyageurs atteints de déficience sur les vols intérieurs, l'Office a rédigé et approuvé une réglementation à cet effet. En 1989, celle-ci a été soumise pour examen et approbation au Bureau de la privatisation et des affaires réglementaires et au Bureau du Conseil privé. Une fois adoptée, cette

La compétitivité des activités de transport intermodal est liée à des facteurs de logistique. Les expéditeurs qui utilisent ces services cherchent à acheminer leurs marchandises de la façon la plus efficace possible pour faire face à la concurrence. Compte tenu de la mondialisation de l'économie, toute activité de transport, qu'il s'agisse de transport intermodal ou unimodal, est assujettie à des facteurs qui dépassent les limites territoriales d'un pays.

Il est essentiel que le réseau national de transport du Canada soit compétitif pour affronter la concurrence internationale. Dans les transports, la mondialisation se traduit par des pressions pour faire baisser les coûts et rationaliser les opérations en vue d'accroître la productivité et l'efficacité des services.

normalisation) à destination et en provenance de l'est du Canada.

- Le CN a commencé à exploiter un parc de 30 remorques réfrigérées de grande capacité capables d'assurer les températures basses ou élevées nécessaires au transport de certaines marchandises, et il a annoncé des dépenses de 17 millions de dollars pour acquérir des wagons plats articulés pour le transport intermodal.
- Le CN a annoncé la construction d'un nouveau terminal intermodal de 19 millions de dollars à Port Mann (Colombie-Britannique), visant à améliorer la capacité de transport de conteneurs du CN et à lui garantir une part plus grande du marché en expansion du transport de conteneurs entre le Canada et les pays du Pacifique.
- CP Rail prévoit construire un terminal intermodal évalué à 29 millions de dollars, à Vaughan, au nord-ouest de Toronto.
- En février, le CN a inauguré, entre Toronto et Vancouver, le premier service hebdomadaire régulier par train porte-conteneurs à deux niveaux au Canada. Ce service s'est avéré inadéquat et a été retiré au mois d'août.
- En mars, « K » Line, transporteur maritime japonais très en vue, a également mis en service, par l'entremise de la Rail-Bridge Corporation, un train semblable qui fait la navette chaque semaine entre son terminal maritime de Tacoma (Washington) et Lacolle (Québec). Cette liaison complète le service de wagons à deux niveaux que la compagnie japonaise assure jusqu'à Welland (Ontario) depuis juillet 1988. Elle emprunte le même itinéraire ferroviaire américain que le service de wagons à deux niveaux que Maersk offre jusqu'au Canada depuis avril 1988. Depuis le mois d'août, le service offert par Maersk utilise, à partir de Buffalo (New-York), le CN afin d'assurer la liaison Toronto et Montréal.

Les expéditeurs ont été invités à comparer, selon différents critères, les services intermodaux offerts en 1989 à ceux proposés en 1988. Les critères pour lesquels une proportion importante d'expéditeurs juge qu'il y a eu amélioration sont les suivants : collaboration des transporteurs (31 p. 100), fourniture d'équipement (28 p. 100), temps de transit (26 p. 100), fréquence du service (23 p. 100), pistage des expéditions (22 p. 100) et état de l'équipement (20 p. 100).

Selon les expéditeurs, le coût unitaire du transport intermodal a augmenté de 2,8 p. 100 pour le marché intérieur et de 2 p. 100 pour le marché international, hausse qui ne se démarque pas vraiment de celles rapportées pour d'autres modes de transport de marchandises. Les expéditeurs qui ont fait appel à des intermédiaires pour leurs expéditions intermodales ont signalé des augmentations très légèrement supérieures.

CONCURRENCE

Les services de transport intermodal sont hautement concurrentiels. Les services train-camion, qui allient les avantages du rail pour les longues distances et la souplesse de la prise en charge et de la livraison par camion, doivent pouvoir concurrencer les services unimodaux. Le coût du service mis à part, la compétitivité s'évalue aussi d'après la fréquence et la qualité du service, le temps de transit, la manutention des marchandises, la disponibilité de l'équipement et son état, le suivi et le pistage des expéditions.

Les observations suivantes d'exploitants de terminaux portuaires montrent à quel point la logistique et la concurrence peuvent compter dans le transport intermodal :

> « La suppression de toutes les entraves dans le transport a amené de nombreux expéditeurs à chercher sérieusement d'autres modes de transport. »

> « Dans les transports ferroviaires, la nouvelle législation, plus précisément les dispositions sur l'établissement des tarifs et l'accès à des services concurrentiels (...), a donné aux producteurs américains un accès plus libre au terminal... Cet accès plus libre et cette concurrence plus vive ont fait du port une solution plus rentable pour certaines marchandises d'origine américaine. »

> « Les contrats confidentiels qui peuvent être adaptés à un transport précis ont prévu des stimulants pour assurer de plus forts volumes par train et un roulement plus rapide de l'équipement... L'organisation des horaires des opérations doit maintenant tenir compte des sanctions plus lourdes liées aux retards qui ne sont pas attribuables au rail. »

> « Le trafic conteneurisé, celui qui augmente le plus vite, parmi toutes les marchandises acheminées par le port (...), fait l'objet de la plus vive concurrence des autres ports, notamment ceux des États-Unis. »

d'exploiter les avantages propres à chaque mode, d'améliorer le service, de réduire le total des frais de nature logistique, de maximiser l'efficacité et la souplesse des services pour les expéditeurs et les usagers.

Utilisation

Plus du tiers des expéditeurs ayant répondu à l'enquête de l'Office en 1989, ont déclaré faire appel aux services de transport intermodal pour acheminer en moyenne le cinquième de leurs marchandises. L'enquête révèle que ces services sont utilisés aussi bien par les petits expéditeurs que par les plus importants et qu'il y aurait eu en 1989, une augmentation moyenne de 2,6 p. 100 des expéditions intermodales, taux de croissance qui vient au second rang, parmi tous les modes, derrière le camionnage (3,7 p. 100).

Les services train-camion dominent, ce qui n'est guère étonnant, le transport intermodal pour le commerce intérieur et transfrontalier. L'ampleur des échanges commerciaux canado-américains accentue encore l'importance des services intermodaux train-camion. Dans le commerce avec des pays outre-mer, les expéditeurs disent faire appel aux combinaisons suivantes : camion-bateau, camion-train-bateau et train-bateau.

Près de la moitié des expéditeurs répondant à l'enquête de 1989 ont organisé le transport intermodal directement avec les transporteurs; environ 40 p. 100 ont fait appel à des intermédiaires tandis que les autres combinaient les deux approches.

Les entrevues avec les transporteurs routiers ont fait ressortir que le tiers de ceux qui s'occupent de transport intermodal prenaient eux-mêmes leurs dispositions. Quant aux deux autres tiers, la plupart ont dit qu'ils s'occupaient de ce type de transport à la demande d'un expéditeur, d'un transporteur ferroviaire, maritime ou aérien ou encore d'un groupe de ces transporteurs.

Importance relative dans les activités des transporteurs

Les conteneurs ont représenté 7,1 p. 100 du trafic acheminé dans les grands ports canadiens en 1989 ou 12,4 millions de tonnes. En 1979, la proportion n'était que de 4,5 p. 100.

En 1989, le CN et CP Rail ont acheminé environ 60 p. 100 du trafic portuaire de conteneurs. Les expéditions de conteneurs par rail ne représentent pas encore une partie considérable du tonnage ferroviaire (5 p. 100), mais elles continuent d'augmenter légèrement. L'ensemble du trafic intermodal transporté par train, c'est-à-dire les conteneurs, le ferroutage et les remorques, a constitué plus de 7 p. 100 de tout le tonnage ferroviaire en 1989, ce qui est en progression par rapport aux 5 p. 100 de 1984.

Selon les entrevues que l'Office a faites en 1989 avec des transporteurs routiers, 55 p. 100 des transporteurs échantillonnés fournissaient des services intermodaux. Ils étaient domiciliés surtout dans la région de l'Atlantique et dans le Canada central. Les expéditions intermodales représentaient en moyenne 10 p. 100 de leurs activités. Plus de la moitié de ceux qui s'occupaient de transport intermodal avaient un parc de moins de 100 tracteurs, et 25 p. 100 en avaient plus de 200. Les entrevues ont aussi révélé une augmentation des activités chez 40 p. 100 des transporteurs routiers domiciliés dans l'Ouest et dans la région de l'Atlantique qui participaient au transport intermodal. La proportion était de 31 p. 100 pour les transporteurs du Canada central.

Selon la définition adoptée pour les services intermodaux, les matières premières acheminées en vrac formaient la majeure partie des 174 millions de tonnes de marchandises transportées en 1989 en provenance et à destination des ports relevant de la Société canadienne des ports (en 1988, année record, le volume avait atteint 186,8 millions de tonnes). Si on compare ce trafic aux marchandises transportées par les chemins de fer, près des deux tiers des expéditions de charbon, 80 p. 100 du soufre, 50 p. 100 de la potasse, 80 p. 100 des céréales et plus de 60 p. 100 du minerai de fer passaient par les ports canadiens. De plus, d'importants volumes de bois d'œuvre, de pâte et de papier ont également été livrés dans les ports par les chemins de fer.

Équipement - Installations - Services

La conteneurisation prend de l'ampleur sur les marchés intérieurs et internationaux.

Les services ferroviaires jouent un rôle important dans le transport de surface des conteneurs maritimes au Canada. Ils assurent le transport, sur les distances moyennes et longues, entre les ports et les terminaux de l'intérieur des terres. Cette importance grandissante du trafic de conteneurs a entraîné des décisions majeures ou encore des innovations en 1989.

- CP Rail a mis en service sa première série de wagons porte-conteneurs articulés, une alternative aux wagons à deux niveaux pour acheminer les conteneurs ISO (Organisation internationale de

LES SERVICES DE TRANSPORT INTERMODAL

STRUCTURE DES SERVICES DE TRANSPORT INTERMODAL

Le transport intermodal de marchandises est habituellement associé au transport interurbain de remorques routières ou de conteneurs sur des wagons plats. Dans la présente section, les activités de transport intermodal englobent tout trafic de marchandises dont la prise en charge et la livraison font appel à plusieurs modes de transport.

Compte tenu de cette définition très large, environ 40 p. 100 de tout le commerce extérieur du Canada peut être considéré comme du trafic intermodal. Cela est vrai pour une partie du commerce transfrontalier et pour la totalité des échanges avec les pays outre-mer. Les services de transport intermodal sont aussi utilisés dans le commerce intérieur.

Pour acheminer toutes les marchandises échangées entre le Canada et d'autres pays, les ports et les aéroports doivent être des centres de distribution et de transport intermodal totalement intégrés. Cela exige non seulement un bon marketing, mais aussi de l'équipement et des méthodes ultramodernes, des liaisons efficaces avec les services de transport de surface et des avantages sur le plan géographique. Les délais de manutention et les frais de manœuvre sont aussi des facteurs d'efficacité clés dans les services intermodaux.

Dans le transport intermodal pour les marchés transfrontalier et intérieur, les terminaux ferroviaires intermodaux situés dans les grands centres urbains permettent d'associer les services ferroviaires entre plaques tournantes et la prise en charge et la livraison par camion. Pour des marchandises comme l'acier et le bois d'œuvre, on utilise des terminaux de transbordement et de rechargement train/camion.

L'intégration des services entre les divers modes de transport devient de plus en plus importante pour répondre aux besoins des expéditeurs canadiens. La mise au point de forfaits de transport, alliant les services de deux modes de transport ou plus, permet

Woodlands Marine demeure le seul transporteur pour compte d'autrui sur cette route. Il existe bien d'autres transporteurs maritimes qui assurent des services de fret général sur les Grands Lacs, mais ils le font strictement dans le cadre de contrats exclusifs avec certains expéditeurs.

ACTIVITÉS DE TRANSPORT DE FRET GÉNÉRAL

Trafic, niveau de service et tarifs

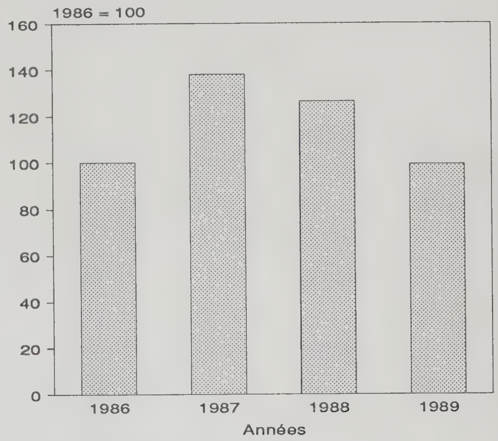
Le tonnage total a diminué, le niveau de service a légèrement baissé, et les tarifs sont restés stables.

Par rapport à 1988, le volume total de marchandises transporté par Woodlands Marine a diminué en 1989 (voir graphique 6.11). Les fortes augmentations de volume enregistrées dans le transport de marchandises vers le nord en 1989 n'ont compensé que partiellement les diminutions de volume qui se sont produites dans le transport vers le sud. La fermeture de l'usine de panneaux de particules de la MacMillan Bloedel, vers la fin de 1988, ainsi qu'un ralentissement général du marché de bois d'œuvre et de la concurrence dans ce secteur, expliquent la diminution globale. Les marchandises transportées vers le nord comprennent surtout des marchandises roulées directement sur le navire, des véhicules et des produits manufacturés palettisés tandis que les produits forestiers, comme le papier journal et le bois d'œuvre, forment l'essentiel des marchandises transportées par Woodlands Marine vers le sud.

Woodlands Marine a effectué en tout 17 voyages aller-retour entre Thunder Bay et Windsor au cours de la saison de navigation de 1989, soit un peu moins que les 20 qu'elle avait faits en 1988. Cette baisse du niveau de service s'explique par la diminution du volume expédié des usines de Thunder Bay et un hiver hâtif sur les Grands Lacs.

La concurrence des services ferroviaires canadiens et américains a forcé Woodlands Marine à maintenir ses tarifs au même niveau qu'en 1988 pour la quasi totalité des produits forestiers. En 1989, le taux applicable au bois d'œuvre chargé aux expéditeurs de Thunder Bay a été inférieur à ce qu'il était au début des années 1980, en raison de la concurrence entre les autres modes de transport.

GRAPHIQUE 6.11 : TRANSPORT DE FRET GÉNÉRAL PAR WOODLANDS MARINE INC., DE 1986 À 1989



Source : Woodlands Marine Inc.

Performance financière du transporteur

En 1989, Woodlands Marine s'efforce de maintenir ses revenus au même niveau qu'en 1988.

La diminution de volume, alliée à l'incapacité de Woodlands Marine d'augmenter ses taux à cause de la concurrence des chemins de fer, a fait fléchir les revenus de l'entreprise en 1989. L'accroissement des revenus tirés du transport de marchandises vers le nord n'a comblé que partiellement la réduction des revenus provenant d'expéditions moins importantes de bois d'œuvre et de panneaux de particules. Par conséquent, on constate un certain recul par rapport aux gains financiers réalisés au cours de la saison de navigation de 1988.

Initiative de fin d'année

Woodlands Marine cherche à améliorer ses opérations en 1990.

À la fin de la saison, Woodlands réévaluait ses opérations en prévision des années 1990 de même que le genre d'équipement à utiliser dans ce secteur d'activité.

LE TRANSPORT DE FRET GÉNÉRAL SUR LES GRANDS LACS

FAITS SAILLANTS DE 1989

Contrats confidentiels des compagnies ferroviaires - Source de concurrence soutenue

Au cours de la saison de navigation sur les Grands Lacs, Woodlands Marine concurrence directement les services ferroviaires pour le transport de produits forestiers entre Thunder Bay et les ports des Grands Lacs situés en aval. Depuis 1988, les contrats confidentiels des compagnies ferroviaires exercent une pression à la baisse sur les tarifs appliqués par Woodlands Marine.

La fermeture de l'usine de panneaux de particules à Thunder Bay a fait diminuer le volume expédié

La fermeture de l'usine de panneaux de particules de la MacMillan Bloedel à Thunder Bay, en 1988, a entraîné une diminution du volume des marchandises provenant de la région de Thunder Bay.

STRUCTURE DE L'INDUSTRIE

Woodlands Marine demeure le seul transporteur pour compte d'autrui engagé dans le transport de fret général sur les Grands Lacs.

Depuis que la Loi sur les transports a été abrogée, le 1er janvier 1988, les transporteurs maritimes offrant des services de transport de fret général n'ont plus à obtenir de permis. L'examen que fait l'Office ne vise pas le transport sur les Grands Lacs de produits en vrac comme le minerai de fer, les grains et le charbon, qui représentent 99 p. 100 des marchandises transportées dans cette zone, car ces activités n'ont jamais été régies par la *Loi sur les transports.*

Les changements des tarifs dans les deux réseaux ont suivi le modèle établi en 1988 lorsque les principaux transporteurs des deux réseaux ont augmenté leur prix.

Bien que les volumes de trafic dans le réseau de l'Athabasca soient aux niveaux de 1986 à la suite d'un ralentissement des travaux de construction, il y a eu, en 1989, un accroissement du tonnage transporté dans le réseau du Mackenzie en raison d'un rebondissement dans le secteur de l'extraction des ressources et de la construction des sites du réseau d'alerte du Nord dans l'ouest de l'Arctique.

Enfin, bien que la partie V ait déréglementé le transport de cargaisons pour la Défense nationale et le secteur des ressources, créant ainsi un terrain propice à la concurrence entre les transporteurs par eau dans le réseau du Mackenzie, la saison de 1989 a vu une consolidation de la position de la STNL au grand dam des autres exploitants de remorqueurs et chalands.

Autres commentaires

La plupart des expéditeurs du réseau du Mackenzie étaient généralement satisfaits des services d'approvisionnement par eau offerts par la STNL et d'autres compagnies en 1989; quelques-uns ont toutefois exprimé certaines inquiétudes lesquelles n'avaient pas été notées lors de l'enquête de 1988. Ces préoccupations portaient sur la détérioration générale du service des transporteurs et leur manque de responsabilité, leur manque de flexibilité et leur instabilité face aux exigences de mise en caisse, sur les heures d'arrivée des expéditions, les réponses aux réclamations pour dommages et aux demandes de renseignements sur les prix. On a aussi soulevé, d'une part, la nécessité pour les transporteurs de donner un pré-avis aux clients avant l'arrivée de leurs cargaisons et, d'autre part, le manque de renseignements pour le public sur les activités de la STNL dans le Nord. De même, certains expéditeurs ont mentionné qu'ils aimeraient voir des améliorations au chapitre des méthodes utilisées par les transporteurs pour l'identification et la classification des marchandises dans leurs communications avec les clients ainsi que l'embauche d'un plus grand nombre de résidants. D'autres préoccupations notées par les expéditeurs du Mackenzie en 1989 avaient trait à des lacunes liées à l'infrastructure (c'est-à-dire les jetées, le dragage portuaire, le chargement, les installations de chargement et de déchargement) qui nuisent aux services d'approvisionnement par eau.

Les préoccupations exprimées par certains expéditeurs dans le réseau de l'Athabasca en 1989 étaient semblables à celles exprimées en 1988; c'est-à-dire, la délivrance de permis à d'autres transporteurs par eau dans le réseau et son impact sur le niveau de services, les tarifs de transport de marchandises générales, de marchandises conteneurisées et de carburant en vrac, ainsi que la structure tarifaire de la A. Frame. En outre, les expéditeurs ont exprimé leurs préoccupations à propos des rumeurs de retrait des services du principal transporteur dans le réseau en 1989 et aux possibilités de transport limitées actuellement dans la région de l'Athabasca.

EFFET DE LA PARTIE V

La déréglementation du transport de cargaisons pour la Défense nationale est contrecarrée par d'autres facteurs.

Les faits démontrent que l'année 1989 a été semblable à 1988 étant donné que la réforme réglementaire introduite par la LTN 1987, a eu peu d'effets mesurables sur la prestation des services de ravitaillement par eau dans le réseau du Mackenzie (voir l'encadré).

STNL

La STNL a longtemps dominé le transport par chaland dans le réseau du Mackenzie avec son importante capacité de transport et ses nombreuses années d'expérience pour ce qui est d'assurer des services de transport par eau dans un environnement nordique; or, les événements récents ont eu pour effet d'accroître encore davantage sa domination.

Les termes et conditions de la vente de la STNL en 1985 engagent effectivement le gouvernement fédéral à recourir à la STNL pour le transport d'approvisionnements (y compris les cargaisons pour la Défense nationale) dans le Nord. De même, le gouvernement des Territoires du Nord-Ouest a désigné la STNL comme le seul transporteur à utiliser pour répondre aux besoins de transport par eau dans les contrats du gouvernement territorial. Des dispositions du Inuvialuit Final Agreement, une loi sur le règlement de revendications territoriales présentées par les autochtones, favorisent également l'accroissement de l'emprise de la STNL sur le transport par chaland dans l'ouest de l'Arctique.

Ni les transporteurs ni les utilisateurs des services d'approvisionnement par eau n'ont rapporté de changements majeurs dans les activités ou les tendances du transport par eau qui pourraient être attribués à la mise en oeuvre de la partie V. Les utilisateurs, même s'ils connaissent bien les activités de transport par chaland dans leur réseau respectif, ont continué d'être relativement peu conscients des changements apportés au statut concernant l'approvisionnement par eau.

Le réseau de l'Athabasca a profité d'un accroissement du niveau de service en 1989 du fait que l'Office a accordé un permis à la compagnie Lake Athabasca Transport, pour remplacer le service quelque peu désuet de Cree Band, en vue d'assurer un service complémentaire à celui du principal transporteur du réseau; d'autre part, il y a eu peu de changement au niveau du service assuré dans le réseau du Mackenzie, de 1988 à 1989.

moitié des expéditeurs subissaient une augmentation du tarif de transport de carburant en vrac en 1989 (la même proportion qu'en 1988).

Dans le réseau de l'Athabasca, près de la moitié des répondants ont signalé des taux de fret supérieurs en 1989 pour les marchandises générales et les conteneurs, à comparer à 55 p. 100 en 1988. Un tiers des expéditeurs de l'Athabasca ont signalé des augmentations de tarif de transport de carburant en vrac, par rapport à 20 p. 100 en 1988.

Lorsqu'on leur demande de décrire les niveaux de taux de fret général dans les deux réseaux, seulement 14 p. 100 des expéditeurs du Mackenzie et 16 p. 100 de ceux de l'Athabasca les ont trouvés excessifs en 1989 à comparer à 12 p. 100 et 59 p. 100 respectivement en 1988. Les rumeurs voulant que la A. Frame cesse ses services en 1989, ont peut-être influencé l'opinion des principaux expéditeurs sur les tarifs de la A. Frame en 1989, devant la perspective d'une route d'hiver coûteuse et peu fiable et d'un prix excessif pour le transport aérien comme leurs seules autres possibilités.

Enfin, seulement 6 p. 100 des répondants du Mackenzie ont trouvé excessifs les tarifs de transport de carburant en vrac en 1989; par contre, 44 p. 100 des expéditeurs de l'Athabasca ont parlé de tarifs excessifs en 1989. Ce dernier chiffre s'explique par la réaction des distributeurs de carburant en vrac et des utilisateurs par rapport à l'augmentation importante des taux de transport de carburant en vrac de la A. Frame en 1989.

Concurrence

Malgré le fait que près des trois quarts des expéditeurs du Mackenzie et un peu plus de la moitié de ceux de l'Athabasca se sont considérés comme captifs d'un seul transporteur par eau en 1989, la majorité de ces mêmes expéditeurs dans les deux réseaux, ont déclaré qu'il n'était pas nécessaire d'accroître la concurrence dans le transport par eau. Comme en 1988, des tonnages insuffisants et la nécessité d'appuyer la STNL (à condition que les taux soient acceptables) ont été les principales raisons invoquées par les expéditeurs pour justifier leur opposition. Dans une proportion de 40 p. 100, les expéditeurs du Mackenzie qui se déclaraient favorables à la concurrence en 1989 l'ont fait dans l'espoir qu'il en résulterait des taux plus bas, un service amélioré, une fréquence et une flexibilité accrues, de meilleurs horaires de service, une amélioration de l'efficacité du transporteur et du service à la clientèle. De même, certains expéditeurs du Mackenzie estiment qu'avec une concurrence accrue, ils seraient à même de déterminer si les tarifs sont justes et raisonnables.

Alors qu'une majorité d'expéditeurs de l'Athabasca appuyaient une concurrence accrue dans le secteur de l'approvisionnement par eau en 1988, cette opinion a changé en 1989 au point où 70 p. 100 de ces expéditeurs, se sont prononcés contre l'accroissement du nombre de transporteurs dans le réseau. Ce changement d'attitude peut être attribué en partie à l'introduction du service de la Lake Athabasca Transport en 1989 pour desservir la collectivité de Fort Chipewyan, ce qui offrait une alternative au service de la A. Frame.

TABLEAU 6.3
Évaluation par les utilisateurs des services d'approvisionnement par eau dans le Nord

	Expéditeurs du Mackenzie						Expéditeurs de l'Athabasca					
	TB-B %		MO %		MA-TMA %		TB-B %		MO %		MA-TMA %	
Critères	1988	1989	1988	1989	1988	1989	1988	1989	1988	1989	1988	1989
Fréquence	45	40	44	56	11	4	46	42	31	53	23	5
Horaire	44	37	40	49	16	14	23	58	46	31	31	11
Paiement des réclamations	36	41	30	42	14	17	34	75	33	19	33	6
Flexibilité	50	33	27	32	23	35	31	63	46	32	23	5
Ponctualité	40	33	36	46	24	21	30	48	38	47	32	5
Prix/Tarif	40	26	44	62	16	12	23	50	15	33	62	17

TB - Très bon **B - Bon** **MO - Moyen** **MA - Mauvais** **TMA - Très mauvais**

Source : Enquête de l'Office en 1989 auprès des utilisateurs des services d'approvisionnement par eau dans le Nord

RÉACTION DES TRANSPORTEURS À LA PARTIE V

Réaction mitigée à la partie V

La plupart des transporteurs qui assurent des services d'approvisionnement ont compris, en 1989, les avantages découlant de la délivrance de permis pour une période indéterminée plutôt que sur une base annuelle. L'élimination du temps, du travail et des frais entraînés par la préparation annuelle de demandes de permis a été considérée comme un attribut important de la nouvelle législation. De même, la mise en place de permis valables pour une période indéterminée a permis aux transporteurs de rechercher des ententes à long terme pour leurs services de transport par chaland.

Dans le réseau du Mackenzie, la STNL a répété qu'il était trop tôt pour évaluer l'incidence de la partie V sur ses activités et qu'elle ferait part de ses vues concernant la Loi, dans l'examen complet de 1992. Les compagnies Cooper et Coastal ont encore une fois exprimé leurs frustrations à l'égard de la partie V, soutenant que cette partie n'a pas eu l'effet prévu, c'est-à-dire, leur donner l'occasion d'entrer en concurrence plus facilement dans le transport des cargaisons réglementées.

Dans le réseau de l'Athabasca, la A. Frame a exprimé son mécontentement en 1989 car, même avec les niveaux de tonnage existants, la Loi permet la délivrance d'un permis à un autre transporteur qui, prétend-elle, assure des services concurrentiels et menace ainsi sa viabilité.

OPINION DES UTILISATEURS

Légères améliorations notées dans le réseau du Mackenzie; amélioration importante dans le réseau de l'Athabasca.

À la fin de la saison 1989, l'Office a mené une enquête auprès des expéditeurs des réseaux du Mackenzie et de l'Athabasca, au sujet de la qualité et du niveau des services d'approvisionnement assurés par les transporteurs autorisés. Les réponses provenaient des localités, des bandes indiennes, des coopératives de l'Arctique, des compagnies faisant affaire dans le Nord ainsi que du gouvernement fédéral et du gouvernement territorial. Parmi les répondants, 84 p. 100 dans le réseau Mackenzie et 85 p. 100 dans le réseau de l'Athabasca se considéraient comme des utilisateurs réguliers des services autorisés de transport par remorqueur et chaland. Les résultats de l'enquête ont révélé aussi que tous les expéditeurs étaient représentés quelle que soit leur taille. Les principales conclusions sont énoncées ci-après.

Niveau de service

Il n'y a pas eu de changements importants dans l'évaluation générale des services d'approvisionnement par eau faite par des expéditeurs du réseau du Mackenzie et de celui de l'Athabasca en 1989. La grande majorité des répondants du Mackenzie (80 p. 100) et la majorité des répondants de l'Athabasca (65 p. 100) ont signalé peu de différence dans les niveaux de service entre 1988 et 1989, dans leur réseau respectif. Le tableau 6.3 compare les évaluations par les répondants d'éléments précis de niveaux de service offerts dans les deux réseaux, en 1988 et 1989. La majorité des expéditeurs du réseau du Mackenzie ont jugé les transporteurs moyens ou meilleurs que la moyenne dans les divers secteurs. À l'exception de la flexibilité du service, les transporteurs dans ce réseau, ont été jugés moyens ou mieux que la moyenne pour tous les autres critères et ce, un peu plus souvent en 1989 qu'en 1988.

De l'avis des utilisateurs, les opérations des transporteurs du réseau de l'Athabasca, contrairement à 1988, ont en moyenne été mieux jugés que leurs homologues du Mackenzie car ils ont eu une évaluation nettement supérieure en 1989 sur tous les aspects de leurs services. Une certaine amélioration des cotes de la A. Frame en 1989, associée aux cotes élevées réalisées par la Lake Athabasca Transport, qui a assuré pour la première fois en 1989, un service d'approvisionnement, expliquent les changements des cotes générales.

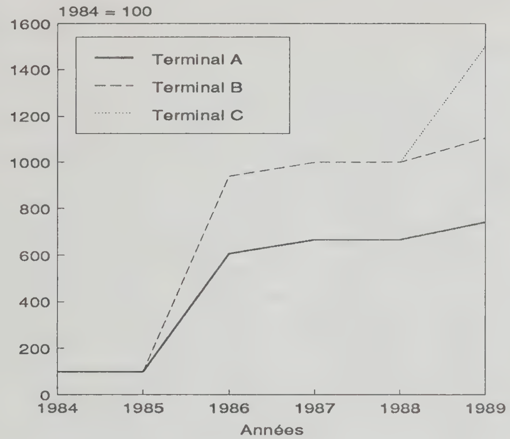
En ce qui concerne l'opinion de l'utilisateur sur les prix imposés par les transporteurs de l'Athabasca, 83 p. 100 les ont jugés satisfaisants ou très bons en 1989 à comparer à 38 p. 100 seulement en 1988.

La ponctualité aurait, aux yeux des expéditeurs, remplacé le prix/tarif comme élément le plus important du service en 1989 dans le réseau du Mackenzie; dans celui de l'Athabasca, le facteur prix/tarif domine encore largement.

Taux de fret

Selon les résultats de l'enquête, seulement un peu plus de la moitié des expéditeurs du Mackenzie ont noté un accroissement des taux de fret généraux (à comparer à 35 p. 100 en 1988) alors qu'exactement la

GRAPHIQUE 6.10 : FRAIS DE TERMINAL INDEXÉS DE LA A. FRAME



Sources : Dossiers de l'Office sur les tarifs

Les hausses de tarif imposées par le transporteur n'ont pu compenser les pertes de tonnage qui ont occasionné une diminution des recettes de l'ordre de 26 p. 100. En outre, la performance financière de la A. Frame peut avoir été aggravée par des frais d'exploitation qui n'ont pas diminué au même rythme que le tonnage.

D'autre part, la première année de fonctionnement de la compagnie Lake Athabasca Transport s'est révélée être une réussite financière, car la compagnie a rapporté un profit.

Question d'importance en 1989

Le principal transporteur a demandé une subvention d'exploitation et a menacé de réduire ou de retirer son service.

En 1989, le principal transporteur de l'Athabasca a fait un certain nombre de représentations auprès du gouvernement fédéral concernant le maintien des services d'approvisionnement dans les années à venir. Outre sa demande d'une subvention d'exploitation garantissant des recettes minimales annuelles qui a été rejetée par le ministre des Transports, la A. Frame a exprimé son opposition à la délivrance d'un permis à la Lake Athabasca Transport en 1989 et a menacé de réduire considérablement ou de retirer son service si l'Office accordait une autre autorisation à ce transporteur, en 1990. Ce raisonnement s'appuie sur les prémisses suivantes : les niveaux de tonnage existants et les recettes correspondantes tirées du transport des marchandises ne peuvent faire vivre plus d'un transporteur autorisé dans le réseau. Cette question ne peut être dissociée de celles du niveau de concurrence et de l'efficacité pour ce qui est d'assurer des services d'approvisionnement dans le réseau de l'Athabasca.

Autres événements

La Garde côtière s'interroge sur son rôle éventuel dans le réseau.

Dans le cadre de l'évaluation de la présence continue de la Garde côtière canadienne (GCC) dans la région du lac Athabasca, la région de l'Ouest de la Garde côtière canadienne a demandé à Clayton, Sparks & Associates d'examiner d'autres possibilités de transport de marchandises y compris le transport par chaland. L'étude intitulée *The Economic Evaluation of Freight Transportation Alternatives in the Lake Athabasca Region* a été effectuée en 1989 et elle conclut que les services existants de remorqueur et chaland constituent, à moyen terme, la solution de transport la plus rentable dans la région du lac Athabasca. L'étude soutient également qu'« il existe une nécessité immédiate de traiter la question de la rentabilité du transport par chaland étant donné que le transporteur principal A. Frame dans le réseau, a éprouvé des difficultés financières considérables ces dernières années ». À la fin de l'année, la Garde côtière canadienne était à rédiger un mémoire au Cabinet, formulant des recommandations à propos de son rôle éventuel dans la région.

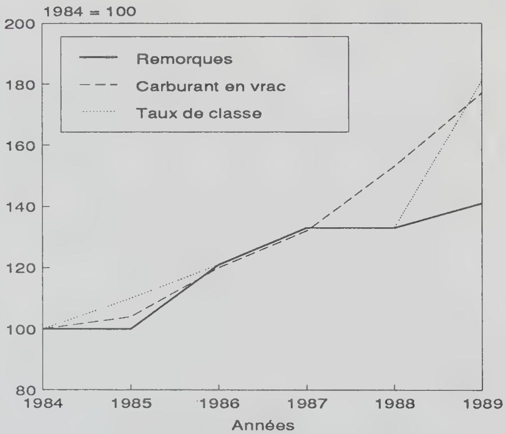
Les deux provinces, dont les localités autour de l'Athabasca sont ravitaillées par des services de transport par eau, sur l'Athabasca, continuent de différer d'opinion dans leur approche du transport par chaland. La Saskatchewan, dont les collectivités ont le plus besoin d'un approvisionnement par eau, continue d'apporter son appui inébranlable au principal transporteur de la région, alors que l'Alberta souscrit à la notion de la concurrence particulièrement en ce qui concerne la desserte de ses localités situées aux abords du lac.

Tarifs

La A. Frame a introduit une importante hausse de tarif.

En 1988, la majorité des clients des services d'approvisionnement par eau ont déclaré qu'ils jugeaient excessif le tarif de la A. Frame. Malgré cette opinion et en dépit de deux années consécutives de tonnages record, la A. Frame a encore une fois déposé auprès de l'Office en 1989, une demande de hausse générale de tarif, ce qui comprenait une augmentation des frais de manutention. Par conséquent, les taux de transport de marchandises ont augmenté de 36 p. 100 à Fort Chipewyan et de 6 p. 100 à Fond du lac et Stony Rapids. Les taux de transport de remorques ont aussi augmenté de 6 p. 100 pour toutes les collectivités alors que les augmentations de prix du transport de carburant en vrac variaient entre 9 et 22 p. 100. Les changements apportés au prix du transport des marchandises de la A. Frame à Fort Chipewyan et Stony Rapids, sous forme indexée, de 1984 à 1989, sont représentés dans les graphiques 6.8 et 6.9.

GRAPHIQUE 6.8 : TAUX DE TRANSPORT INDEXÉ DE LA A. FRAME À FORT CHIPEWYAN 1984 – 1989

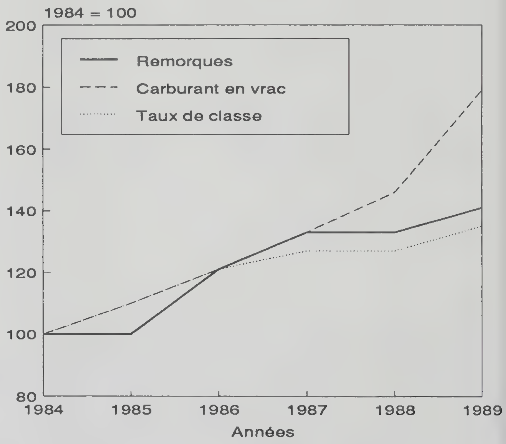


Sources : Dossiers de l'Office sur les tarifs

Les frais de terminal ont également subi une hausse variant entre 10 et 50 p. 100 selon la catégorie de marchandise. En comparaison, les indices des prix à la consommation de l'Alberta et de la Saskatchewan (services) ont augmenté, en 1989, de 4,3 et 3,2 p. 100 respectivement. En 1989, la A. Frame a saisi l'occasion de réviser ses tarifs en vue de clarifier certains frais ou d'en reclasser d'autres (c'est-à-dire les frais de terminal) et de modifier des conditions de transport.

L'Office n'a reçu en 1989 aucune plainte formelle au sujet des tarifs de la part des expéditeurs de l'Athabasca. Toutefois, des entretiens avec un certain nombre de ces expéditeurs à la fin de la saison, révèlent une préoccupation constante relative aux tarifs de la A. Frame. On conteste notamment à propos du tarif de la A. Frame, les frais imposés pour le retour d'une remorque vide (qui sont légèrement inférieurs au coût du transport d'une remorque chargée à pleine capacité), la classification, à des fins de tarification, de cargaisons aux dimensions variées et à la hausse des frais de terminal (voir figure 6.10).

FIGURE 6.9 : TAUX INDEXÉS DE LA A. FRAME POUR LE TRANSPORT DE MARCHANDISE À STONY RAPIDS 1984 – 1989



Sources : Dossiers de l'Office sur les tarifs

Les tarifs de la compagnie Lake Athabasca Transport ont été généralement inférieurs à ceux de la A. Frame pour les marchandises diverses.

Performance financière des transporteurs

Les recettes de la A. Frame ont diminué alors que les coûts sont demeurés stables.

Les améliorations au niveau de la performance financière de la A. Frame en 1987 et 1988 n'ont pu être maintenues en 1989, en raison d'une baisse considérable du tonnage.

Nord-Ouest. L'étude, qui doit être achevée en avril 1990, doit dresser un inventaire détaillé de l'infrastructure de transport existant dans le Nord, faire des recommandations quant aux projets à entreprendre et établir un calendrier d'exécution.

Finalement, les trajets de rechange pour le transport des marchandises, notamment la route Dempster, constituent une menace importante pour l'avenir du transport par chaland dans le réseau du Mackenzie. Depuis 1980, de plus en plus de marchandises ont été acheminées par la route Dempster chaque année, ce détournement atteignant un sommet en 1986 et représentant 27 p. 100 environ du total. On a estimé que le pourcentage du trafic détourné en 1989 se rapproche à nouveau de celui de 1986. L'éventualité d'un détournement encore plus important en faveur de la route Dempster, est de plus en plus envisageable à mesure que cette dernière s'améliore. De même, la route de transport maritime de la mer de Beaufort (autour de l'Alaska) et le passage intérieur (transport par eau et par camion empruntant la route de Dempster) sont devenus eux-mêmes, au cours des dernières années, des solutions de rechange plus concurrentielles et, avec la route de Dempster, constituent une véritable menace pour les niveaux de trafic, le niveau de service et le maintien de la viabilité du transport par remorqueur et chaland dans le Mackenzie.

Réseau de l'Athabasca

Secteurs d'activité et niveau de service

Un nouveau transporteur a amélioré le niveau de service à Fort Chipewyan.

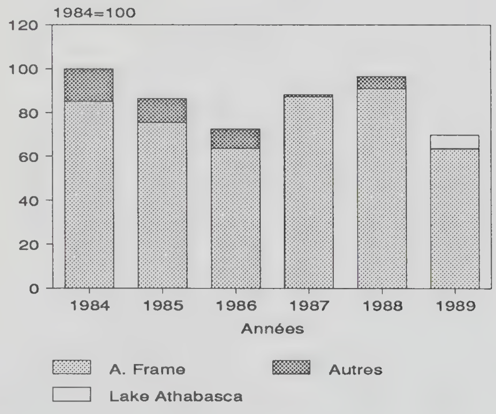
La A. Frame a de nouveau assuré des services réguliers aux collectivités de Fort Chipewyan, Uranium City, Fond du Lac et Stony Rapids. Le niveau élevé de l'eau le long de la rivière Athabasca, a permis à la A. Frame d'opérer directement depuis son terminal de Fort McMurray, plutôt que depuis Fort McKay, et ce, pendant toute la saison de 1989. Le parachèvement de la ligne de transmission de la Saskatchewan Power Corporation en 1988 a entraîné une réduction, de 11 à 10, du nombre de voyages accomplis par la A. Frame. La Lake Athabasca Transport, avec un tonnage au registre représentant 10 p. 100 seulement de celui de la A. Frame, a exploité un service régulier depuis Fort McKay, et a effectué huit voyages à Fort Chipewyan et trois à Moose Island Landing.

Trafic

Diminution importante des cargaisons en pontée de la A. Frame.

Avec le parachèvement de la ligne de transmission, le trafic global de la A. Frame a diminué d'environ 30 p. 100 en 1989. Cette réduction découle entièrement de la diminution des cargaisons en pontée (50 p. 100) alors que dans l'ensemble les tonnages de carburant en vrac augmentaient légèrement (voir graphique 6.7). Malgré l'autorisation accordée à Lake Athabasca Transport de desservir Fort Chipewyan, le fret transporté par la A. Frame à cette collectivité, a enregistré une légère augmentation mais ne représente encore que 15 p. 100 de son tonnage total. Toutefois, on a assisté en 1989, à une chute importante du tonnage de la A. Frame à Uranium City, Fond du lac et Stony Rapids (16, 45 et 40 p. 100 respectivement).

GRAPHIQUE 6.7 : TONNAGES INDEXÉS TRANSPORTÉS DANS LE RÉSEAU DU LAC ATHABASCA 1984 – 1989



Source : Rapports annuels des transporteurs commerciaux par eau

En comparaison avec la A. Frame, qui s'est spécialisée dans le transport de remorques pleines, la compagnie Lake Athabasca Transport a transporté une petite proportion du tonnage d'approvisionnement disponible. Les tonnages transportés par la Lake Athabasca Transport étaient comparables à ceux transportés par Cree Band en 1988 et comprenaient à la fois des charges de remorque incomplètes et de denrées périssables.

Le transport d'un module de plate-forme de forage en Alaska et une demande de fin de saison pour le transport d'un volume important de carburant en vrac à un emplacement de la mer de Beaufort, ont contribué à accroître considérablement le tonnage de la STNL dans le secteur de l'exploitation des ressources en 1989. Comme les autres transporteurs autorisés du réseau comptent surtout sur les besoins en services d'affrètement du secteur d'exploitation des ressources, il est difficile de déterminer avec exactitude l'effet de l'augmentation dans ce secteur sur ces transporteurs, mais on estime qu'il est positif.

En 1989, la STNL a continué de monopoliser le transport par eau de tous les types de cargaison dans le réseau. Les limites inhérentes aux autorisations d'exploitation et des capacités de transport, ont empêché les compagnies Cooper, Coastal et Beluga, individuellement ou ensemble, de réussir des percées dans le transport par chaland dans le Nord dominé par la STNL.

Tarifs

La STNL a demandé l'autorisation d'augmenter ses tarifs de 3 p. 100.

Pendant la saison de navigation de 1989, la STNL a augmenté de 3 p. 100 ses taux de transport de cargaisons en pontée et de carburant en vrac, dans le réseau du Mackenzie. Cette hausse est la même que celle que les expéditeurs du Nord ont connu en 1988. En comparaison, l'indice des prix à la consommation des services pour Yellowknife a augmenté de 3,3 p. 100 en 1989.

La STNL a aussi augmenté les taux de transport de conteneurs, les frais d'unitarisation, les frais de terminal et les prix de transport des remorques dans une proportion de 2,5 à 3 p. 100 en 1989. Les nouveaux taux sont entrés en vigueur au début de la saison de 1989 et l'Office n'a reçu aucune plainte formelle de la part des expéditeurs relativement à la hausse de tarif proposée.

Cooper, Coastal et Beluga, qui sont avant tout des exploitants de services d'affrètement, n'ont déposé aucune demande de hausse de tarif en 1988 et en 1989.

Performance financière des transporteurs

La performance financière des transporteurs s'est généralement améliorée.

Des discussions avec les représentants des quatre transporteurs autorisés, opérant dans le réseau du Mackenzie à la fin de la saison de navigation de 1989, laissent croire à une amélioration générale de la performance financière par rapport à celle qui prévalait en 1988 dans le cas d'au moins trois transporteurs.

En 1989, l'on s'attend à ce que l'augmentation d'activité dans le secteur non réglementé, surtout dans le secteur des gisements pétroliers de la mer de Beaufort se poursuive jusqu'en 1990, ce qui augure bien pour la continuation des services d'affrètement offerts par les compagnies Coastal et Beluga. La compagnie Cooper a amélioré sa performance financière par rapport à 1988 et le contrat que cette compagnie a signé avec un important expéditeur ainsi que les affrètements sur la rivière aux Liards sont autant d'éléments positifs pour l'année 1990.

La STNL a continué de compter sur l'approvisionnement des collectivités pour établir une base de revenu stable, mais la hausse significative du tonnage transporté pour le compte de la Défense nationale et dans le secteur des ressources a contribué à améliorer sa performance financière en 1989.

Événements importants

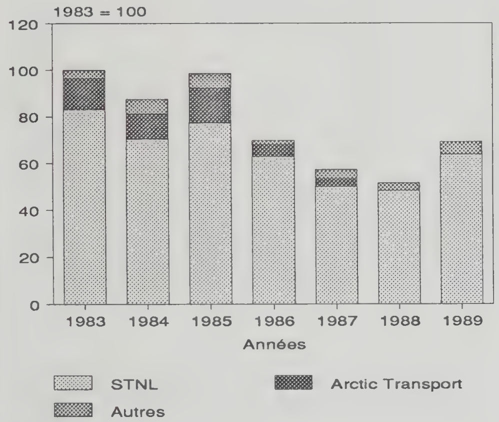
L'Office national de l'énergie a accordé un permis d'exportation de gaz naturel; le choix d'autres trajets a posé des problèmes.

Dans une décision rendue le 19 octobre 1989, l'Office national de l'énergie, à la suite d'audiences publiques tenues à Ottawa et à Inuvik, a accordé des permis à Esso Resources Canada Ltd., Gulf Canada Resources Ltd. et Shell Canada Ltd. en vue de l'exportation, à certaines conditions, d'un total de 9,2 milliards de pieds cubes de gaz naturel du delta du Mackenzie aux États-Unis, sur une période de 20 ans commençant en 1996. Cette décision pourrait bien entraîner la construction d'un gazoduc depuis le delta jusqu'en Alberta le long du Mackenzie, un projet qui pourrait avoir un effet considérable dans les années à venir, sur les exploitants de remorqueurs et de chalands du réseau.

À l'été de 1989, le gouvernement des Territoires du Nord-Ouest a commandé une étude pour l'élaboration d'une stratégie de transport dans les Territoires du

transporté, la compagnie Beluga a signalé une augmentation plus modeste, alors que le tonnage de la compagnie Cooper est demeuré relativement stable. Le graphique 6.5 représente l'évolution du tonnage transporté, au cours des sept dernières années.

GRAPHIQUE 6.5 : TONNAGES INDEXÉS TRANSPORTÉS DANS LA RÉGION DU MACKENZIE 1983 – 1989

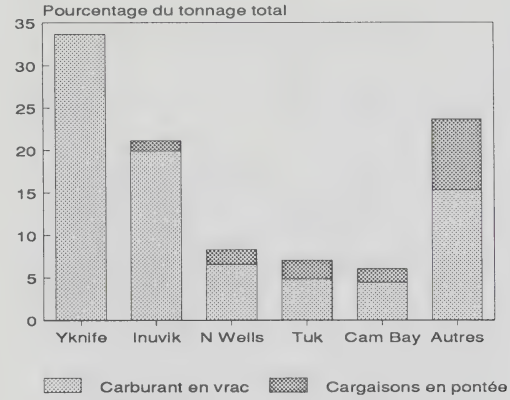


Source : Rapports annuels des transporteurs commerciaux par eau

L'approvisionnement des collectivités a de nouveau constitué le principal élément du transport par chaland dans le réseau. Toutefois, l'augmentation du tonnage non réglementé, transporté par les quatre transporteurs autorisés dans la région, a été plus éclatante que la hausse de 12 p. 100 des tonnages d'approvisionnement, ce qui a eu pour résultat que la part des activités d'approvisionnement dans le tonnage total transporté dans le réseau a chuté jusqu'à environ 68 p. 100 comparativement à 80 p. 100 en 1988. Presque toutes les cargaisons d'approvisionnement des collectivités ont continué d'être transportées à bord des chalands de la STNL en 1989, ce qui représente environ 71 p. 100 de son tonnage transporté en 1989, à comparer à 83 p. 100 l'année précédente, les compagnies Cooper et Coastal, transportant la balance du tonnage d'approvisionnement en 1989. La compagnie Beluga a compté exclusivement sur le fret non réglementé pour demeurer active.

Comme en 1988, presque tout le tonnage d'approvisionnement transporté par la STNL originait de son terminal de relais à Hay River ou de Norman Wells. L'augmentation de la demande de carburant en vrac (qui représente 85 p. 100 du tonnage d'approvisionnement) pour les activités minières dans le voisinage de Yellowknife et par la municipalité de Yellowknife suite à des stocks réduits, a eu pour conséquence d'augmenter de 14 p. 100 le transport de cette marchandise par la STNL en 1989. D'autre part, une augmentation générale des travaux de construction dans le Nord (c'est-à-dire habitations, postes de la GRC et infirmeries, écoles et agrandissements d'aéroport) a entraîné une augmentation modeste de 3 p. 100 des transports en pontées dont la part du tonnage total a diminué légèrement en 1989. Les principales destinations des cargaisons d'approvisionnement, en ce qui a trait à leur part du tonnage total transporté, sont indiquées dans le graphique 6.6.

GRAPHIQUE 6.6 : PRINCIPALES DESTINATIONS DES CARGAISONS D'APPROVISIONNEMENT DE LA STNL EN 1989



Source : Rapports annuels des transporteurs commerciaux par eau

Un événement encourageant en 1989 a été l'augmentation importante de la disponibilité des cargaisons non réglementées à transporter. Les travaux de construction reliés à la transition de la ligne DEW au système d'alerte du Nord a fait tripler l'augmentation, dans le domaine du transport, de cargaisons pour la Défense nationale. Malgré la déréglementation de ce trafic en 1988, la STNL a assumé, de nouveau, le transport de toutes ces expéditions. Toutefois, les gains sont temporaires car les travaux de construction aux sites du système d'alerte du Nord dans l'ouest de l'Arctique, tirent à leur fin.

d'exploitation en 1989. Pendant toute l'année 1988, il s'était occupé activement de transporter des marchandises pour la compagnie mère SJI Enterprises Ltd. Contrairement à tous les autres transporteurs, titulaires de permis pour une période indéterminée, conformément à la partie V, Lake Athabasca Transport a obtenu de l'Office un permis d'approvisionnement par eau qui expirait le 31 décembre 1989; cette décision de l'Office a été dictée par la nécessité de réévaluer, à la fin de la saison de 1989, le nombre de transporteurs autorisés dans le contexte des conditions prévalentes du marché dans le réseau. À la fin de 1989, Lake Athabasca Transport n'avait pas demandé le renouvellement de son permis.

Sydney McKay, qui était titulaire d'un permis aux termes de la *Loi sur les transports* et qui est exempté en vertu de la présente loi, a assuré un service de ravitaillement intermittent en 1989. Setrakov Construction Ltd. et la Bande indienne de Fort Chipewyan ont également effectué le transport du ravitaillement pour leur propre compte en 1989 et ils n'ont pas eu besoin de permis pour le faire.

L'Office n'a reçu des transporteurs autorisés du réseau en 1989, aucune nouvelle demande de permis ni aucune demande d'accroissement, soit de l'exploitation autorisée soit de la capacité de transport.

ACTIVITÉS DE TRANSPORT PAR EAU DANS LE NORD

Réseau du Mackenzie

Secteurs d'activité et niveau des services

La demande de services d'approvisionnement a atteint un niveau et une qualité de service acceptables.

De 1988 à 1989, il n'y a pas eu de changement important ni dans le nombre de collectivités desservies ni dans les types de service offerts par les transporteurs maritimes autorisés, ni dans la capacité de transport globale disponible dans le réseau.

La STNL, ayant intégré l'équipement d'Arctic Transportation Ltd. au complet dans sa flotte et n'utilisant que 86 p. 100 de son tonnage autorisé au registre, a encore une fois desservi 26 collectivités le long du Mackenzie, sur le Grand Lac des Esclaves et dans l'ouest de l'Arctique. Le deuxième transporteur du réseau par ordre d'importance, Cooper, avec un tonnage au registre d'un pour cent de celui de la STNL, a assuré des services irréguliers et par affrètement à huit collectivités le long de la rivière Nelson, de la rivière aux Liards et du fleuve Mackenzie. En outre, la STNL et Cooper ont desservi la rivière Jean-Marie en 1989. Étant donné sa position sur la route du Mackenzie, Fort Simpson n'a pas été approvisionné par eau en 1989. La compagnie Coastal a de nouveau assuré un service d'affrètement, dans le delta du Mackenzie. La compagnie Beluga, à la fin de son contrat avec Esso Resources Ltd. à Norman Wells en 1988, est revenu dans le delta pour assurer un service d'affrètement de concert avec la compagnie Coastal.

Hay River, Norman Wells, Inuvik et Tuktoyaktuk, principaux points de relais et de transbordement dans le système de la STNL, ont bénéficié en 1989 de services réguliers et fréquents. En 1989, le principal transporteur par eau du réseau du Mackenzie a fait 60 escales à d'autres localités nordiques contre 51 en 1988. Le commerce d'approvisionnement des collectivités représente une source importante et stable de tonnage; il est presqu'exclusivement assuré par la STNL.

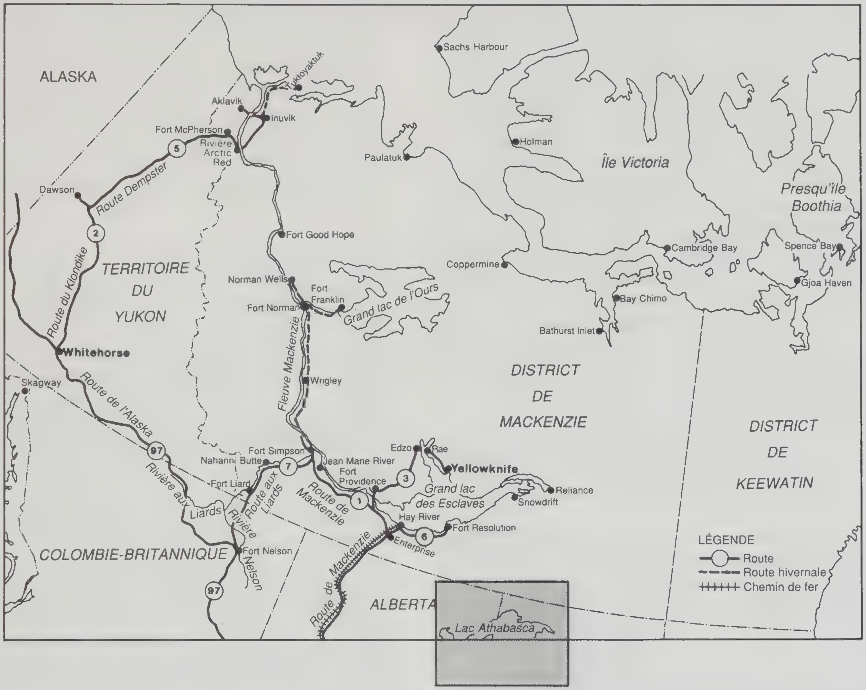
En 1989, la compagnie Coastal a effectué 34 voyages entre Inuvik et Tuktoyaktuk, ce qui est nettement plus qu'en 1988 alors qu'elle ne fonctionnait que pendant trois mois en raison de la remise en état de son unique remorqueur. Une demande de service exceptionnelle dans le secteur des ressources et un manque d'équipement spécialisé ont incité, en 1989, le transporteur à affréter le remorqueur et le chaland de la compagnie Beluga afin de répondre à ses engagements contractuels. La compagnie Beluga est revenue dans le delta en 1989 et, bien qu'engagée à contrat par la compagnie Coastal pour une partie de la saison, elle n'a fonctionné qu'au tiers de sa capacité, effectuant un total de 15 voyages entre Inuvik et Tuktoyaktuk. Le niveau de service de la compagnie Cooper est demeuré relativement stable en 1989 alors qu'elle continuait de travailler pour le compte d'une grande compagnie pétrolière dans la région comprise entre Fort Norman et Norman Wells et qu'elle assurait un service d'affrètement sur la rivière aux Liards.

Trafic

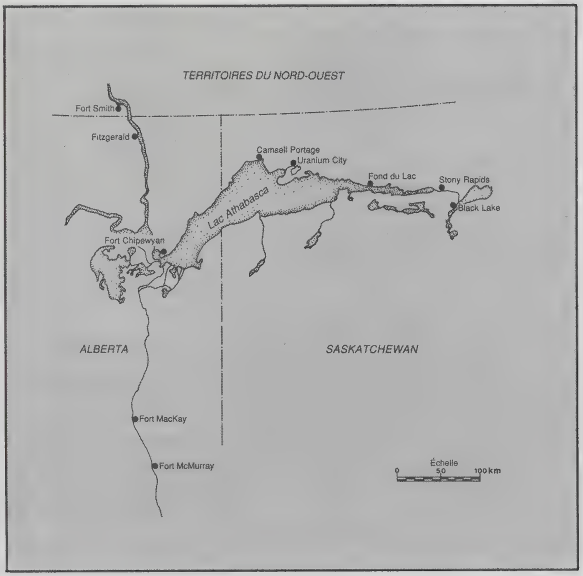
Augmentation importante du transport de cargaisons non réglementé; il y a eu également augmentation de l'approvisionnement des collectivités.

Après avoir observé une diminution du trafic durant trois années consécutives, on constate que le tonnage total des marchandises transportées dans le réseau, en 1989, a augmenté d'environ 35 p. 100. La STNL et la compagnie Coastal ont enregistré des augmentations importantes du tonnage total

GRAPHIQUE 6.3
RÉGION DU FLEUVE MACKENZIE ET DE L'ARCTIQUE OCCIDENTAL



GRAPHIQUE 6.4
RÉGION DU LAC ATHABASCA



service aux localités albertaines de Fort McKay, Fort Chipewyan, Moose Island Landing et Fort Fitzgerald.

Cree Band Marine Ltd. met fin à ses activités

La compagnie Cree Band Marine Ltd. n'a pu fonctionner en 1989, à la suite de problèmes opérationnels survenus en 1988, lesquels l'avaient empêchée d'assurer un service régulier de transport par chaland. À la fin de la saison, l'Office a réexaminé le permis accordé en 1988 au transporteur, pour une période indéterminée.

RÉFORME DE LA RÉGLEMENTATION

Les changements comprennent des permis accordés pour une période indéterminée et la déréglementation du transport de cargaisons pour la Défense nationale et pour le secteur de l'exploitation des ressources.

En janvier 1988, la partie V (Approvisionnements par eau dans le Nord) de la LTN 1987 a remplacé la *Loi sur les transports* comme loi principale régissant le transport de marchandises par eau et la délivrance de permis de transport par remorqueur et chaland sur le Mackenzie, dans l'ouest de l'Arctique et sur le lac Athabasca, ci-après appelés les réseaux du Machenzie et de l'Athabasca (voir graphiques 6.3 et 6.4). Aux termes de la partie V, le transport de cargaisons pour la Défense nationale et de cargaisons à l'appui de la mise en valeur de ressources non renouvelables dans le Nord ont été déréglementés. Conséquemment, l'Office ne délivre des permis qu'aux transporteurs maritimes qui assurent des services essentiels d'approvisionnements aux localités éloignées.

Les modifications aux dispositions concernant les tarifs à la partie V exigent que les transporteurs maritimes déposent auprès de l'Office, les tarifs réellement exigés (au lieu d'un tarif de base maximal comme l'exigeait la *Loi sur les transports*) et qu'ils fournissent des exemplaires de ces tarifs aux collectivités desservies.

La partie V a aussi rationnalisé la procédure de délivrance des permis. Ces derniers sont dorénavant accordés pour une période indéterminée plutôt que pour une période d'un an et ils sont délivrés en fonction de la capacité totale du transporteur et non en fonction de chaque partie d'équipement. La partie V insiste davantage sur l'appui des expéditeurs dans l'évaluation par l'Office d'une demande de permis.

STRUCTURE DE L'INDUSTRIE

Réseau du Mackenzie

Le nombre et l'importance des transporteurs autorisés qui assurent des services d'approvisionnement n'ont pas changé.

En ce qui concerne le secteur du Mackenzie, il y a eu peu de changement quant au nombre de transporteurs autorisés à assurer des services d'approvisionnement en 1989.

Les trois titulaires de permis avec droits acquis en 1988, soit la Société des Transports du Nord Ltée (STNL), la Cooper Barging Service Ltd. (Cooper) et la Coastal Marine Ltd. (Coastal), ont continué d'assurer des services d'approvisionnement pendant toute la saison de navigation de 1989. La société Beluga Tours Ltd. (Beluga), qui ne détenait qu'une autorisation provisoire de fonctionnement en 1988, a reçu en 1989 un permis de transport d'approvisionnement par eau pour une période indéterminée.

Tous les transporteurs susmentionnés ont assuré des services de transport par chaland en 1989 à l'appui du secteur des ressources en plus d'assurer des services de ravitaillement des collectivités. L'Arctic Transportation Ltd., qui était antérieurement le deuxième plus important transporteur du réseau, a continué d'assurer une présence symbolique dans la mer de Beaufort, uniquement à l'appui des activités d'exploration pétrolière.

Réseau de l'Athabasca

Un transporteur a suspendu ses activités; un nouveau transporteur est entré dans le réseau.

Trois transporteurs ont été autorisés à assurer des services d'approvisionnement dans le réseau de l'Athabasca en 1989 : A. Frame Contracting Ltd. (A. Frame), Cree Band Marine Ltd. (Cree Band) et Lake Athabasca Transport. Le principal transporteur du réseau depuis 1984, A. Frame, a continué d'assurer des services pendant toute la saison de 1989. Cree Band, autorisé pour la première fois vers la fin de 1987, a décidé de suspendre ses activités pour une période indéterminée, étant confronté à la perspective d'un tonnage limité et à des difficultés d'exploitation, d'administration et de financement déjà éprouvées en 1988.

Un nouveau transporteur dans le réseau, Lake Athabasca Transport, a reçu une autorisation

L'APPROVISIONNEMENT PAR EAU DANS LE NORD

FAITS SAILLANTS DE 1989

Réseau du Mackenzie

Augmentation importante du nombre de cargaisons transportées pour la Défense nationale

Des travaux de construction aux stations du réseau d'alerte du Nord dans l'ouest de l'Arctique ont eu pour effet d'augmenter substantiellement le nombre de cargaisons transportées pour la Défense nationale pendant la saison de navigation de 1989. Le principal transporteur du réseau, la Société des Transports du Nord Ltée, a assuré en exclusivité ce transport de marchandises.

L'Office national de l'énergie accorde des licences d'exportation de gaz depuis le delta du Mackenzie

À la suite d'une audience publique, l'Office national de l'énergie a accordé des licences à Esso Resources Canada Ltd., Gulf Canada Resources Ltd. et Shell Canada Ltd. autorisant l'exportation de gaz naturel du delta du Mackenzie aux États-Unis à compter de 1996.

Réseau de l'Athabasca

Le principal transporteur du lac Athabasca demande une subvention d'exploitation.

Dans une lettre adressée au ministre des Transports, A. Frame Contracting Ltd., le principal transporteur d'approvisionnement, a demandé une subvention d'exploitation garantissant un revenu annuel minimal pour maintenir son niveau de service actuel. Le Ministre a rejeté cette demande, alléguant qu'il n'y a pas de disposition dans la partie V de la LTN 1987 qui permet de verser des subventions à un transporteur maritime.

Nouveau transporteur autorisé sur le lac Athabasca

En 1989, Lake Athabasca Transport a obtenu un permis d'approvisionnement par eau afin d'assurer un

taux de fret sont la résultante des efforts soutenus de la part des transporteurs pour offrir aux expéditeurs un service complet et efficace de transport des marchandises. De plus, l'industrie du transport maritime a eu le moins souvent possible recours à la Loi soustrayant les conférences à certaines dispositions de la *Loi sur la concurrence*.

D'un point de vue législatif, deux des principales dispositions de la LDCM n'ont pas eu une incidence plus grande qu'en 1988. En 1989, un moins grand nombre de contrats d'exclusivité limitée ont été déposés par rapport à l'année précédente. L'autorisation des mesures distinctes utilisées bien plus fréquemment que les contrats d'exclusivité limitée, n'ont pas eu pour effet d'accroître son usage au sein des transports maritimes de ligne au Canada.

Les enquêtes que l'Office a menées auprès des expéditeurs canadiens, des transitaires internationaux, des exploitants de terminal et des conférences maritimes, confirment que les modifications apportées par la LDCM ont eu peu ou pas de conséquence en 1989.

Pour la deuxième année consécutive, la majorité des expéditeurs et des intermédiaires qui ont répondu aux enquêtes de l'Office ont montré qu'ils connaissaient peu la LDCM et qu'ils en comprenaient mal les principales dispositions. De plus, tel qu'il est mentionné plus haut, les difficultés d'interprétation menacent d'aggraver le problème et de nuire à la capacité des expéditeurs et des transporteurs de commenter de façon adéquate l'incidence de la LDCM sur leurs activités.

Enfin, les conférences ont soulevé deux questions, l'une à propos de la dérogation aux périodes de préavis établies par la LDCM et l'autre concernant le recours aux mesures distinctes pour hausser les taux. Dans le premier cas, l'Office a décidé qu'il n'avait pas compétence pour accorder des dérogations et, dans le second, il a déclaré qu'une ligne membre d'une conférence pouvait recourir à une mesure distincte pour relever ses taux, mais que les autres lignes membres devaient attendre 30 jours pour déposer une hausse semblable.

Préoccupations du groupe d'expéditeurs désigné

Le Conseil des expéditeurs canadiens, désigné en vertu de l'article 21 de la LDCM comme entité qui représente les intérêts des expéditeurs canadiens lors des entretiens avec les conférences maritimes, s'est élevé contre les conférences à propos d'un certain nombre de questions en 1989. Au cours de l'année, le Conseil s'est opposé aux hausses des frais accessoires et des frais de terminal décidées par ECANZ/CANZAC, a demandé des éclaircissements sur les nouveaux frais de carburant introduits en juillet par la TWRA, protesté contre la HGT proposée par les conférences de l'Atlantique Nord et demandé un réexamen du rétablissement de frais de soute par ces mêmes conférences. En outre, le Conseil s'est opposé à l'élimination des suppléments de Saint John et de Québec concernant les tarifs des conférences de l'Atlantique Nord. Il a demandé la tenue de consultations plus poussées sur l'adoption de frais de surestarie pour améliorer l'utilisation des conteneurs, et il a demandé l'appui de ces mêmes conférences dans ses démarches auprès des chemins de fer pour faire éliminer les frais supplémentaires pour excès de poids dans le transport ferroviaire à partir et à destination des ports d'attache.

Le Conseil des expéditeurs canadiens, à titre de groupe d'expéditeurs désigné pour représenter les expéditeurs, a fait part de ses préoccupations au ministre des Transports et à l'Office en 1989. Au tout premier plan de ces dernières, figure la consultation entre expéditeurs et transporteurs, prévue à l'article 20 de la LDCM, question déjà mentionnée.

Le Conseil a également critiqué, bien qu'il ne s'en soit prévalu qu'une seule fois, le mécanisme de règlement des différends prévu par la LTN 1987 (article 59), lui reprochant de ne pas être un mécanisme suffisamment « économique, rapide, accessible et prévisible » pour que le groupe désigné puisse négocier plus efficacement avec les conférences.

Le groupe d'expéditeurs désigné a également souligné l'inefficacité générale du droit inaliénable de prendre des mesures distinctes et des contrats d'exclusivité limitée comme option de tarification offerte aux expéditeurs canadiens, et il a fait valoir qu'il importait que l'équité et la transparence règnent dans les frais accessoires au transport maritime.

Étant donné la nature de ses préoccupations et l'inefficacité de la Loi, du point de vue des expéditeurs, le Conseil des expéditeurs canadiens a demandé la révision immédiate ou l'abrogation pure et simple de la LDCM.

U.S. Shipping Act de 1984

À l'automne de 1989, la Federal Maritime Commission (FMC) a soumis au Congrès le rapport sur son examen quinquennal de la Loi. Selon l'organisme, la Loi, comparée aux conditions du marché, a eu peu d'effet sur le niveau des taux, la fréquence des services et la vigueur de la concurrence des indépendants dans le transport de ligne aux États-Unis. Ce secteur, toujours selon la FMC, est resté ouvert et concurrentiel, état de fait partiellement attribuable au succès et à l'usage généralisé des mesures distinctes et des contrats confidentiels d'exclusivité limitée.

Compte tenu des constatations de la FMC et du consensus général des groupes d'expéditeurs au sujet de l'efficacité de la Loi, celle-ci ne fera sans doute l'objet que de modifications mineures. Exception faite des dispositions de la loi américaine sur les mesures distinctes et les contrats d'exclusivité limitée, qui ont servi de modèle aux dispositions semblables de la LDCM, il est peu probable que ces modifications aient une incidence directe sur le secteur canadien du transport de ligne en général ou sur la LDCM elle-même. Néanmoins, la portée des modifications du *U.S. Shipping Act de 1984* sur la LDCM dépendra du moment où entreront en vigueur les modifications apportées aux deux lois.

INCIDENCE DE LA LDCM

De l'avis général, la LDCM a eu peu ou pas d'incidence.

En 1989, ce sont les forces du marché et le jeu de l'offre et de la demande, et non la LDCM, qui ont déterminé la situation du transport maritime de ligne au Canada. Les changements survenus au cours de l'année dans la structure du transport maritime de ligne, le volume du trafic, le niveau de service et les

la conférence et l'organisme n'ont pu s'entendre sur un ordre du jour, la réunion n'a pas eu lieu.

Toutes les conférences sont d'avis que la LDCM n'a guère eu plus d'incidence sur leurs activités en 1989 qu'en 1988. En outre, 20 conférences, contre 15 en 1988, ont dit que cette Loi en général n'avait eu aucun effet sur leurs activités en 1988.

Opinion des exploitants de terminal

Les exploitants de terminal n'ont à peu près aucun commentaire à faire.

Pour la première fois en 1989, l'Office a demandé l'avis des exploitants de terminaux portuaires qui assurent des services aux expéditeurs, à d'autres intermédiaires et aux transporteurs dans les grands ports canadiens, au sujet des retombées de la LDCM sur leurs activités. Les quelques exploitants qui ont répondu ne signalent aucune répercussion négative jusqu'à maintenant.

Un exploitant a toutefois fait remarquer que, selon lui, les contrats confidentiels d'exclusivité limitée devraient aviver la concurrence sur les routes commerciales. Un autre estime que le principe fondamental de la LDCM devrait être repensé, étant donné la tendance mondiale à un réexamen du traitement accordé aux conférences. Les exploitants de terminaux semblent davantage préoccupés par les effets indirects sur leurs activités, de la LTN 1987 et de la LTR, plutôt que par la LDCM, notamment en ce qui a trait à leur incidence sur les activités de transport intermodal et aux risques de détournement du trafic canadien destiné à l'exportation et à l'importation vers les ports américains.

AUTRES FAITS À SIGNALER EN 1989

Difficultés d'interprétation

En 1989, les expéditeurs et les conférences ont soulevé plusieurs questions à propos de l'application de la LDCM. Deux questions fondamentales portent sur les dérogations accordées aux conférences en vertu de la LDCM et sur le dépôt des accords (voir l'encadré), tandis que les autres ont trait à la clarification de certaines définitions et exigences en matière de dépôt.

Une question déjà soulevée aux termes de la loi antérieure a refait surface en 1989. En vertu de l'article 20, les conférences doivent « tenir une réunion avec le groupe (d'expéditeurs désignés) et fournir des renseignements suffisants pour le bon déroulement de la réunion ». Comme les conférences et le Conseil des expéditeurs canadiens n'ont pu s'entendre sur le minimum d'informations requises aux termes de cet article, le Conseil a demandé au ministre des Transports de définir ces termes avec plus de précision.

L'efficacité du mécanisme de plaintes prévu à l'article 13 de la LCDM a également été remis en question. Le libellé est tel qu'il incombe au plaignant (l'expéditeur) d'établir d'abord qu'il y a eu « diminution de la concurrence » et de prouver ensuite que cette diminution a entraîné « une réduction déraisonnable des services de transport ou une augmentation déraisonnable des frais de transport ». Comme il y a de nombreuses possibilités de transport hors-conférence sur la plupart des routes, il serait difficile, voire impossible, qu'une plainte soit justifiée aux termes de cet article; le mécanisme de plainte s'avère donc inefficace, selon le Conseil des expéditeurs canadiens.

L'Office a aussi étudié l'adoption de taux complètement ouverts par deux conférences, qui n'ont déposé ni les taux normaux, ni les taux pratiqués par les divers membres. Il a été déterminé que les tarifs ne devaient être déposés que lorsqu'une conférence fixe des taux communs à tous les membres et demande à ce que cette pratique de tarification soit soustraite à l'application de la *Loi sur la concurrence.*

EXEMPTIONS CONSENTIES EN VERTU DE LA LDCM

La question des exemptions consenties par l'Office en vertu de la LDCM, a surgi en 1989. Il avait été établi en vertu de la loi précédente que les conférences devaient accepter les taux et les conditions de transport avant d'obtenir une exemption, mais le libellé de la LDCM a entraîné un changement de position. Il a été déterminé qu'une conférence pouvait être une association de transporteurs maritimes s'entendant sur un ensemble quelconque de pratiques énumérées dans la Loi. Ultérieurement, il a été décidé que l'Office n'avait pas compétence, aux termes de la LDCM, pour rejeter une demande ni pour accorder ou refuser une exemption aux dispositions de la *Loi sur la concurrence.* L'octroi d'une exemption est donc une affaire que doivent régler la conférence et le Bureau de la politique de concurrence de Consommation et Corporations Canada.

En ce qui a trait aux activités de transport intermodal en 1989, les transitaires rapportent que les combinaisons camion-bateau et train-bateau, à proportion égale, sont les deux plus importantes combinaisons modales utilisées pour acheminer la majeure partie des expéditions de leurs clients à l'étranger. Les grandes questions soulevées par les transitaires à cet égard en 1989 concernent les délais et la congestion dans la manutention des conteneurs dans les grands terminaux ferroviaires et les taux et services relativement plus avantageux proposés dans les ports américains et les liaisons terrestres aux États-Unis.

Les transitaires ont fait remarquer, dans leurs observations sur l'ensemble de la LDCM, que le système des conférences n'avait plus sa raison d'être dans le contexte de la mondialisation des marchés et devrait être abandonné. Plusieurs transitaires ont aussi déploré l'absence de contrats d'exclusivité limitée et le manque de souplesse des conférences dans la négociation des taux. D'autres encore ont mentionné que les conférences ne reconnaissaient pas l'existence des transitaires internationaux comme « expéditeurs ». Un autre transitaire se préoccupe de la question de l'octroi de permis aux transitaires et de la définition de « transitaire authentique » dans le contexte de la LDCM. Enfin, selon un autre répondant, il faudrait donner plus d'information aux transitaires concernant la LDCM.

Opinion des conférences

Les conférences se disent insatisfaites des dispositions sur les mesures distinctes.

En 1989, 80 p. 100 des conférences ont répondu à l'enquête de l'Office, ce qui représente une légère augmentation par rapport à l'an dernier. Des conférences actives sur toutes les grandes routes commerciales au Canada ont retourné le questionnaire après l'avoir complété.

Les mesures distinctes, question soulevée encore très souvent cette année, ont fait l'objet d'observations de la part de 15 conférences, contre 10 en 1988. Deux conférences, au lieu de cinq, ont carrément demandé la suppression de cette disposition, 13 (il n'y en avait que huit en 1988) ont souhaité que le préavis de 15 jours soit porté à 30 ou 60 jours. Les opinions exprimées au sujet de l'incidence des mesures distinctes sur les taux n'ont guère varié, puisque quatre conférences disent que leurs taux s'en sont trouvés réduits alors que deux ont déclaré que l'effet avait été nul. Trois conférences ont souligné que ces mesures distinctes avaient réduit la base de leurs revenus et nui aux relations entre les membres des conférences.

Les contrats d'exclusivité sont disparus, dans le secteur du transport de ligne au Canada, or 13 conférences demandent leur rétablissement selon les dispositions de l'ancienne LDCM, qui leur permettaient d'exiger la totalité des marchandises de l'expéditeur signataire.

Dix-sept conférences, contre neuf en 1988, ont déclaré avoir haussé leurs taux, donnant comme principales raisons les frais d'exploitation, les dépenses en capital, la situation du marché et les frais de transport intérieur. Par ailleurs, six autres conférences ont affirmé que leurs taux avaient généralement diminué, en raison principalement de la concurrence des lignes hors-conférence et des transporteurs communs non exploitants. La concurrence exercée par les pays étrangers présents sur les mêmes marchés, a aussi contribué à une diminution des taux, en 1989.

Les conférences ont révélé, au cours de 1989, que 67 p. 100 des demandes de réduction présentées par les expéditeurs ont été acceptées intégralement et 12 p. 100 partiellement. Les justifications invoquées le plus fréquemment en ce qui a trait à ces réductions ont été, par ordre d'importance, la concurrence des transporteurs hors-conférence, les conditions du marché, la concurrence d'autres routes, celle des producteurs et fournisseurs étrangers et l'aide à un expéditeur qui pénètre un nouveau marché.

Les services de jonction terrestre, surtout entre l'est du Canada et les pays du Pacifique ainsi que l'Australie, jouent un rôle important dans les transports maritimes au Canada. Même si l'utilisation de ces services a continué d'augmenter, seulement cinq conférences estiment que cette concurrence a eu de lourdes retombées sur leurs activités en 1989; 16 conférences lui prêtent une incidence limitée et trois estiment qu'elle n'a eu aucun effet.

Les conférences sont généralement satisfaites des conditions relatives aux contrats d'exclusivité limitée et aux taux forfaitaires. Néanmoins, quatre conférences sont d'avis que la définition étroite de ces contrats leur enlève une certaine souplesse pour répondre aux besoins particuliers des expéditeurs. Une conférence a proposé que les contrats d'exclusivité limitée permettent la négociation soit d'un pourcentage soit d'un certain volume des marchandises à transporter.

Une seule conférence a déclaré avoir été convoquée à une réunion du Conseil des expéditeurs canadiens, demande formulée aux termes de la LDCM. Comme

et hésitent à autoriser leurs membres à négocier des contrats d'exclusivité limitée ou des taux fixés par mesures distinctes. L'un d'entre eux est d'avis que la LDCM ne répond pas aux objectifs du gouvernement, qui visait à favoriser la concurrence, la flexibilité, et l'innovation dans le réseau de transport. D'autres pensent que les taux des conférences ne sont pas concurrentiels et qu'ils seraient encore plus élevés, si ce n'était de la concurrence des lignes indépendantes comme alternative valable.

Enfin, invités à dire si, à leur avis, la LDCM les avait aidés à livrer concurrence sur les marchés internationaux, la majorité des expéditeurs (61 p. 100) qui connaissent bien la Loi, ont répondu que non.

NIVEAU DE SERVICE ASSURÉ PAR LES MEMBRES DES CONFÉRENCES ET LES TRANSPORTEURS HORS-CONFÉRENCE - ÉVALUATION DES EXPÉDITEURS

Pour la deuxième année de suite, le prix est le facteur le plus fréquemment mentionné par les expéditeurs comme élément déterminant dans le choix d'un transporteur maritime.

Lorsqu'on compare le niveau des services offerts par les lignes membres des conférences et les autres, on constate que les résultats obtenus ne varient guère de 1988 à 1989. Une fois encore, les répondants accordent une meilleure cote aux lignes hors-conférence quant aux questions de prix/tarif, mais ils privilégient les lignes membres pour tous les autres critères, notamment la fréquence des services, la capacité disponible, le temps de transit et la qualité du service dans son ensemble.

Opinion des transitaires

La plupart des transitaires estiment que la Loi n'a eu aucune incidence.

Les résultats de l'enquête menée en 1989 auprès des transitaires internationaux au Canada sont analogues à ceux de 1988. Tout comme l'an dernier, moins de la moitié de tous les répondants ont dit bien connaître la LDCM et ses dispositions. Parmi ceux qui connaissent la Loi, 81 p. 100 estiment qu'elle n'a eu aucune incidence sur leurs activités en 1989.

La majorité des transitaires répartissent généralement leurs expéditions dans des proportions égales entre les lignes membres des conférences et les lignes hors-conférence, ce qui est à l'image de la situation observée en 1988. Dans le choix qu'ils font des transporteurs maritimes, 75 p. 100 des transitaires jugent que le prix/tarif est le facteur déterminant, suivi par le temps de transit.

Invités à évaluer les services fournis par les transporteurs membres des conférences en 1989, 83 p. 100 de tous les transitaires qui ont répondu à l'enquête, les ont décrits comme bons ou très bons.

En 1989, la majorité des répondants ont utilisé le plus fréquemment les taux ordinaires, tant à l'intérieur qu'à l'extérieur des conférences. Les contrats d'exclusivité limitée et les taux ouverts ont été rarement utilisés, voire pas du tout. Les transitaires estiment que les taux de fret des membres des conférences et des autres lignes ont été relativement stables en 1989. Près des deux tiers des transitaires qui disent connaître la LDCM sont d'avis que celle-ci n'a eu aucune incidence sur les taux de fret, ni pour les exportations ni pour les importations.

Quelque 62 p. 100 des transitaires qui connaissent la LDCM ont dit avoir eu, en 1989, des discussions avec des transporteurs membres de conférences au sujet des mesures distinctes portant sur les taux ou les services, autant pour les importations que pour les exportations. Par contre, seulement 14 p. 100 d'entre eux ont dit faire une utilisation fréquente des mesures distinctes. Près de la moitié de ces transitaires ont déclaré avoir utilisé rarement, voire pas du tout, les taux fixés par mesures distinctes en 1989, ce qui n'est guère différent de la situation observée en 1988. Parmi les transitaires qui connaissent la LDCM et ont eu recours aux mesures distinctes, la plupart ont déclaré que les taux fixés par mesures distinctes s'étaient appliqués à 10 p. 100 ou moins de leurs expéditions à l'exportation ou à l'importation. Selon la majorité de ces transitaires, les mesures distinctes ont eu un effet nul si ce n'est négatif sur leur position de négociation avec les conférences en 1989.

Tout comme en 1988, une écrasante majorité des transitaires connaissant la Loi ont déclaré n'avoir jamais contacté les conférences pour négocier des contrats d'exclusivité limitée. Environ les trois quarts d'entre eux estiment que cette possibilité de négocier des contrats d'exclusivité limitée n'avait eu aucune influence sur leur position de négociation; 16 p. 100 pensent que leur position s'en est trouvée améliorée tandis que les autres diffèrent d'opinion.

identique à celle qui avait été notée lors de l'enquête de 1988 auprès des expéditeurs.

Les chiffres montrent que ce sont les petits expéditeurs et ceux qui font exclusivement appel aux transitaires qui connaissent le moins bien la LDCM. Par contre, les gros expéditeurs qui se fient moins aux transitaires et exercent donc un plus grand contrôle sur l'acheminement de leurs produits, déclarent mieux connaître la Loi. Toujours selon l'enquête, dans les industries du papier et des produits chimiques, un nombre proportionnellement plus élevé de répondants ont dit bien connaître la Loi. Dans le but d'évaluer l'incidence de la LDCM et de ses principales dispositions sur les activités des expéditeurs en 1989, seuls ceux qui déclaraient connaître la Loi ont été retenus. Le tableau 6.2 fait état des réponses fournies en 1988 et en 1989.

contrat d'exclusivité limitée de moins a été déposé auprès de l'Office. Il semblerait donc que, faute d'une bonne connaissance de la LDCM et de ses dispositions, chez la majorité des expéditeurs, ceux-ci n'ont pu fournir des renseignements exacts sur l'utilisation de ces contrats dans le transport de ligne au Canada. En outre, il semble que les expéditeurs aient, encore une fois, confondu les contrats d'exclusivité limitée avec les taux fixés par mesures distinctes, les taux des transitaires et les taux établis en fonction de la durée et du volume et qu'ils aient tenu compte, dans leurs réponses, des contrats d'exclusivité conclus avec des transporteurs hors-conférence et avec les lignes qui mouillent dans des ports américains. Cette hypothèse semble confirmée par les résultats de l'enquête indiquant que seulement 5 p. 100 des expéditeurs canadiens ont effectivement déclaré avoir communiqué avec des

TABLEAU 6.2
Évaluation de la LDCM par les expéditeurs en 1988 et en 1989

	Effet bénéfique		Effet nul		Effet négatif	
	1988	1989	1988	1989	1988	1989
	en %		en %		en %	
LDCM en général	29	18	63	58	8	23
Contrats d'exclusivité limitée	21	17	74	68	5	15
Mesures distinctes	32	34	65	55	3	11
Groupes d'expéditeurs désignés	13	13	85	75	2	12
Contrats d'exclusivité	18	13	79	78	3	9
Exigence de préavis						
Tarifs et surprimes	27	29	63	65	10	6
Règlement des differénds	7	9	90	86	3	5

Note : Résultats établis uniquement à partir des réponses des expéditeurs qui connaissent bien la LDCM.

La majorité des expéditeurs, bien qu'il s'agisse d'une majorité légèrement plus faible que l'an dernier, ont répondu encore cette année qu'en général, la LDCM n'avait eu aucune incidence sur leurs activités. La proportion de ceux qui lui prêtent un effet bénéfique est passée de 29 p. 100 en 1988 à 18 p. 100 en 1989 tandis que celle des expéditeurs qui soutiennent que la Loi a un effet négatif a fait un bond de 8 p. 100 en 1988 à 23 p. 100 en 1989. La majorité des répondants dans des proportions plus faibles estiment toujours en 1989 que les contrats d'exclusivité limitées et les mesures distinctes n'ont aucun effet sur la façon dont ils gèrent leurs affaires. Quant aux autres dispositions de la LDCM, la majorité des expéditeurs ne leur attribuent aucun effet sur leurs activités.

Les résultats du sondage montrent que de 1988 à 1989, les expéditeurs canadiens ont eu davantage recours aux contrats d'exclusivité limitée. En 1989, un

conférences actives au Canada pour négocier des contrats d'exclusivité limitée. Ceci semble être le reflet de l'expérience qu'ont les expéditeurs de ces contrats.

Les expéditeurs canadiens ont aussi signalé une plus grande utilisation des mesures distinctes dans le transport de ligne au Canada en 1989. D'autres données semblent confirmer cette tendance, mais l'incohérence des réponses aux questions sur les mesures distinctes et la confusion probable entre ces taux et d'autres formules de tarification offertes par des conférences actives aux États-Unis et au Canada permet d'entretenir des doutes au sujet de l'ampleur réelle de l'utilisation des mesures distinctes dans les transports au Canada en 1989.

Dans leurs commentaires écrits, certains expéditeurs se sont dits déçus du fait que les conférences soient si peu attentives aux besoins des expéditeurs canadiens

RECOURS AUX MESURES DISTINCTES DANS LE TRANSPORT DE LIGNE AU CANADA

Neuf conférences, soit deux de plus qu'en 1988, ont déclaré avoir pris des mesures distinctes en 1989. Alors que quatre conférences de plus ont dit avoir eu recours à ces mesures en 1989, l'analyse des taux révèle que deux autres qui n'avaient pas fait de déclaration en 1988 avaient pris des mesures distinctes avant l'adoption de la LDCM. Deux autres conférences qui avaient pris de telles mesures en 1988, ont adopté une structure de taux ouverts en 1989. Le résultat net est qu'entre 1988 et 1989 il n'y a eu aucun changement dans le nombre de conférences utilisant des mesures distinctes.

Les lignes membres des conférences suivantes, classées selon le nombre de mesures distinctes ayant été prises, ont exercé leur droit de prendre ces mesures en 1989 :

- **Transpacific Westbound Rate Agreement (TWRA)**
- **Asia-North America Eastbound Rate Agreement (ANERA)**
- **American West African Rate Agreement (AWAFC)**
- **West Coast/Middle East and West Asia Rate Agreement (WAME)**
- **Canadian Group Agreement**
- **Eastern Canada-Caribbean Rate Agreement (ECCRA)**
- **8900 Lines Agreement**
- **Canada-U.K. Freight Conference**
- **Canadian Continental Eastbound Freight Conference**

Sur les trois grandes routes commerciales analysées, les mesures distinctes n'ont été largement utilisées que sur la route transpacifique. Sur celle du Royaume-Uni et de l'Europe continentale, il n'y en a eu que quelques-unes et aucune n'a été prise sur la route de l'Australie. Sur ces trois routes, les conférences font face à une forte concurrence de la part des lignes hors- conférence. Or, le nombre de mesures distinctes qui ont été prises montre la relative instabilité qui règne sur la route transpacifique, où non seulement les lignes sont plus nombreuses, mais où il y a eu aussi d'importants changements au cours des dernières années, comparativement aux marchés plus stables.

pu influencer les décisions des conférences JEC et JWC d'opter pour des taux ouverts en 1988.

Deux autres conférences ont déclaré avoir utilisé des mesures distinctes en 1989 : ECCRA et Canadian Continental Eastbound Freight Conference. Quant aux autres conférences, l'utilisation qu'elles ont faite de ces mesures en 1989 n'a guère varié.

De nombreuses conférences actives au Canada avaient autorisé les mesures distinctes et certaines y avaient largement recours avant l'adoption de la LDCM. Il semble donc que cette disposition n'ait pas eu une incidence mesurable plus grande en 1989 qu'en 1988, exception faite de JEC, JWC et AWAFC. Les modifications des taux des conférences observées en 1989 s'expliquent davantage par les déséquilibres entre l'offre et la demande dans le transport international de ligne. Néanmoins, il est probable que, malgré l'utilisation massive des mesures distinctes confinée au marché transpacifique, la menace du recours à ces mesures comme option dans l'établissement des prix par les lignes membres a influencé, pour le plus grand bien des expéditeurs, les décisions des conférences en matière de rajustement tarifaire en 1989.

Contrats d'exclusivité

Il n'y a eu aucun contrat d'exclusivité en 1989.

Avant 1988, l'usage des contrats d'exclusivité était très répandu sur certaines grandes routes commerciales canadiennes. Or, les dispositions de la LDCM, en privant les conférences du pouvoir d'exiger la totalité des marchandises de l'expéditeur, ont fait disparaître ces contrats en 1988. On a observé aucun changement à cet égard, en 1989. En effet, aucune conférence active au Canada n'a signé de contrats d'exclusivité.

POINTS DE VUE SUR LA LDCM

Opinion des expéditeurs

La majorité des expéditeurs a révélé que la LDCM n'avait eu aucune incidence.

En 1989, l'Office a de nouveau effectué une enquête auprès des expéditeurs canadiens en vue de connaître l'incidence de la LDCM sur leurs activités. Selon cette enquête, les deux tiers des expéditeurs canadiens ne connaissent toujours pas très bien la Loi, proportion

Certaines conférences se sont dites disposées à négocier des contrats d'exclusivité limitée comportant des clauses de rajustement des taux. Or, les expéditeurs ne veulent pas se lier par des contrats qui prévoient de tels rajustements. D'autres conférences ont préféré interdire les contrats d'exclusivité limitée, compte tenu de la situation du marché dans les secteurs qu'elles desservent. En outre, le recours considérable aux mesures distinctes par les lignes membres de certaines conférences, a rendu ces contrats quasi inutiles ou tout à fait inutiles. Le fait que l'option tarifaire que représentent les contrats d'exclusivité soit peu connue et que les expéditeurs ont fréquemment recours aux transitaires pour voir à leurs besoins de transport vers l'étranger, peut aussi expliquer en partie, la faible utilisation de ces contrats au Canada.

Enfin, la nature et le but premier des contrats d'exclusivité limitée en termes d'engagement de la part des expéditeurs et des transporteurs, la volatilité des marchés mondiaux et du secteur des transports de ligne et l'existence d'autres moyens de négocier des taux réduits, y sont également pour quelque chose dans l'hésitation des deux parties à conclure des contrats officiels d'une certaine durée, pour le transport de ligne au Canada.

Mesures distinctes

Le recours aux mesures distinctes n'a pas progressé de façon significative.

Le nombre de conférences qui ont recours aux mesures distinctes dans les transports de ligne au Canada n'a pas changé en 1989 (voir l'encadré). Quatre conférences, soit la TWRA, l'ANERA, la West Coast/Middle-East and West Asia Rate Agreement (WAME) et la American West African Rate Agreement (AWAFC), ont grandement utilisé les mesures distinctes sur leurs routes commerciales, comme en témoigne le nombre élevé de ces mesures qui ont été prises et le tonnage considérable qu'elles déclarent avoir transporté en 1989, à des taux fixés par mesures distinctes. Les autres conférences semblent en avoir fait un usage limité ou sélectif, ce que semble confirmer le faible nombre de mesures distinctes qu'elles ont déposées et la proportion relativement faible du tonnage transporté à des taux établis par mesures distinctes.

En 1989, une analyse des tarifs des conférences a révélé que les mesures distinctes avaient principalement porté sur les taux. Lorsqu'on considère les taux normaux des conférences comme point de référence, les mesures distinctes ont assuré aux expéditeurs des rabais variant entre 2 et 55 p. 100, la moyenne s'établissant à 6 p. 100 dans le cas de la Eastern Canada-Caribbean Rate Agreement (ECCRA) et à 30 p. 100 dans le cas de la TWRA. D'autres mesures distinctes prises par les lignes membres de conférences ont porté sur les frais supplémentaires pour l'acheminement de certains produits particuliers ou spécialisés, des clarifications des conditions générales de transport, des conditions de service et des taux établis par un seul transporteur pour des endroits précis dans le champ d'activité d'une conférence.

La TWRA et l'ANERA, qui transportent la majorité des importations et des exportations canadiennes sur la route commerciale transpacifique ont à nouveau eu largement recours aux mesures distinctes en 1989. Selon les estimations, le nombre de mesures distinctes prises par les lignes membres de la TWRA en 1989, aurait augmenté de quelque 27 p. 100, mais il demeure inférieur au nombre rapporté en 1987, soit avant l'adoption de la LDCM. Bon nombre de ces mesures n'ont été que le prolongement de mesures prises en 1988. Les lignes membres de cette conférence ont également poursuivi leur politique d'ajustement à la hausse de la plupart des taux fixés par mesures distinctes au moment des HGT, afin de maintenir un écart constant entre ces taux réduits et les taux normaux. Du point de vue des expéditeurs, cette approche comporte des effets à la fois positifs et négatifs : d'une part, elle maintient le droit à des taux inférieurs à la normale, mais, d'autre part, une HGT se traduit tout de même par une augmentation des prix.

Les lignes membres de l'ANERA ont continué de déposer des mesures distinctes en 1989, mais ces mesures ont eu une portée moindre dans le transport transpacifique vers l'est, car leur nombre a diminué de 56 p. 100 en 1989. Il semblerait que l'utilisation de ces mesures ait été passablement limitée par le Transpacific Stabilization Agreement, une entente visant à stabiliser les taux sur ce marché qui va à l'encontre de l'esprit des mesures distinctes.

Enfin, les conférences JEC et JWC ont commencé à faire un usage limité de taux fixés par mesures distinctes en 1988, mais, en juin de la même année, les deux conférences ont opté pour des taux ouverts (c'est-à-dire que les lignes membres étaient libres de fixer leurs propres taux), rendant inutile le recours aux mesures distinctes. La même politique a été maintenue jusqu'en 1989, bien que la JWC ait déposé auprès de l'Office, vers la fin de 1989, des « exigences de revenu minimum ». Après examen, les tendances observées dans les taux de ces deux conférences semblent montrer que la disposition de la LDCM sur le droit inaliénable aux mesures distinctes a

Les changements des taux de fret qu'ont connus en 1989 les expéditeurs canadiens se prévalant des services de la TWRA et de l'ANERA, conférences mixtes Canada-États-Unis, ainsi que de la JWC et de la JEC, prolongements de conférences américaines, peuvent s'expliquer pour l'essentiel par l'évolution du marché américain, qui représente plus de 90 p. 100 du tonnage total transporté par ces conférences.

Comme sur les autres routes, les expéditeurs canadiens ont été à la merci des fluctuations du taux de change en 1989, car ces quatre conférences établissent leurs tarifs en dollars US. Le fléchissement de la devise américaine face au yen japonais, ces dernières années, a fait que les facteurs d'ajustement monétaire pour les transports à destination et en provenance du Japon, de la Corée et de Taiwan ont été très élevés. Le dollar américain s'est toutefois légèrement raffermi en 1989, ce qui a fait baisser les facteurs d'ajustement monétaire appliqués par l'ANERA et la TWRA.

Par conséquent, l'augmentation des taux à l'exportation, amorcée en 1987, s'est poursuivie en 1989, la TWRA ayant appliqué deux hausses générales totalisant 320 $ par TEU, 400 $ par FEU et 21 p. 100 pour tous les autres taux. Le taux de certains produits a subi la pleine majoration, mais, dans la plupart des cas, l'augmentation a été plus modérée, certains taux n'ayant pas bougé et d'autres ayant même diminué. Par ailleurs, le recours massif à quelque 2 000 mesures distinctes a amenuisé dans une certaine mesure l'effet négatif des hausses décrétées par la TWRA pour les expéditeurs canadiens.

Pour ce qui est des importations, l'ANERA a augmenté ses taux de 115 $ par TEU et de 150 $ par FEU en 1989, grâce au succès remporté par le Transpacific Stabilization Agreement (accord signé par toutes les lignes membres de l'ANERA) pour réduire la surcapacité sur la route commerciale transpacifique en direction est. Une diminution de 56 p. 100 du nombre des mesures distinctes déposées, a aussi concouru au succès des efforts de l'ANERA pour renverser la tendance des taux à la baisse observée en 1988. Alors que la plupart des taux de l'ANERA ont été relevés conformément à la HGT, l'augmentation réelle des taux a varié d'un produit à l'autre et certains taux ont même subi une baisse en 1989.

Il a été impossible de suivre l'évolution des taux de la JWC et de la JEC, car les deux conférences ont continué à utiliser des taux « ouverts » en 1989. En septembre, la JWC a tenté de stabiliser ses taux en établissant des conditions de revenu minimum, conditions déposées auprès de l'Office. Toutefois, il s'avère difficile de savoir si ces minimums ont eu un effet quelconque sur les taux.

S'il est vrai que les expéditeurs canadiens ont, dans l'ensemble, eu à faire face à des taux de fret plus élevés en 1989, la forte concurrence des lignes hors-conférence (transport de ligne et autre), la politique tarifaire adoptée par certaines conférences ainsi que le recours soutenu aux mesures distinctes sont autant de facteurs ayant freiné la hausse relative des taux des conférences sur les routes transpacifiques en 1989.

EFFICACITÉ DE LA LDCM DURANT LA DEUXIÈME ANNÉE

Contrats d'exclusivité limitée

Les contrats d'exclusivité limitée ont joué un rôle négligeable dans les activités des conférences.

Les contrats d'exclusivité limitée ont continué de jouer un rôle mineur dans les activités des conférences, car il n'y en a eu que cinq déposés auprès de l'Office en 1989, trois relatifs à des importations et deux à des exportations, et les cinq sont venus à expiration au début de 1990. En 1988, il y en avait eu six, cinq pour l'importation et un pour l'exportation; aucun n'a été renouvelé.

Le nombre de conférences au Canada qui utilisent ce genre de contrat est passé de deux en 1988 à quatre en 1989. Cependant, une seule conférence, ayant déposé un contrat en 1988, en a déposé un de nouveau en 1989; qui plus est, ce contrat a été négocié avec un expéditeur différent et ne porte pas sur le même produit.

Les trois contrats portant sur des importations ont été négociés entre des conférences et des consignataires qui importent des marchandises d'Europe, tandis que les deux contrats concernant des exportations, visaient des marchandises acheminées du Canada vers l'Australie et l'Europe.

Alors que les lignes hors-conférence n'ont pas à déposer leurs contrats auprès de l'Office, les faits semblent démontrer que les contrats d'exclusivité limitée sont très rares dans ce secteur. La seule utilisation importante de ces contrats a été notée en dehors des transports de ligne, chez les exploitants hors lignes spécialisés dans l'acheminement des produits forestiers.

Est du Canada - Australie

En 1989, deux conférences offraient des services sur cette route. L'une comptait deux lignes et se chargeait des importations (Australia - Eastern Canada Freight Conference) et l'autre était formée de quatre lignes et assurait les exportations (CANZAC).

La conférence qui transporte les importations n'a signalé aucune augmentation générale de taux en 1989. La concurrence des lignes hors-conférence et le fait que les taux de fret pour les principaux produits soient fixés au cours de négociations entre les commissions australiennes de commercialisation et les transporteurs ont contribué à la stabilité tarifaire. Néanmoins, les taux, établis en devises australiennes, ont subi l'influence de la fluctuation des changes.

Pour sa part, la conférence CANZAC a haussé l'ensemble de ses taux de 6 p. 100. Lorsque l'ECANZ est devenue la CANZAC, celle-ci a profité de l'occasion pour substituer à la structure existante un tarif port à port. Elle a laissé tomber Montréal et conservé uniquement Halifax comme port d'attache. Elle a ajouté des frais pré-chargement (taux fixe par conteneur) pour les expéditions provenant de Montréal et augmenté dans les faits, les tarifs de transport intérieur vers Toronto. La présence de plusieurs transporteurs non membres sur cette route a toutefois garanti le maintien de taux concurrentiels en 1989. Étant donné que cette conférence fixe les taux en dollars US, ceux-ci sont, encore une fois, soumis aux fluctuations des taux relatifs de change.

Il semblerait que ce soient les conditions du marché et non la LDCM qui aient déterminé les taux de fret sur cette route, en 1989.

Est du Canada - Royaume-Uni/Europe continentale

Tout comme en 1988, les même quatre conférences ont été actives pendant toute l'année sur cette route, deux à l'exportation (une vers le Royaume-Uni et l'autre vers l'Europe continentale) et en contrepartie, deux à l'importation, chacune regroupant les mêmes lignes membres.

L'appréciation du dollar canadien a entraîné une réduction du facteur d'ajustement monétaire, ce qui a partiellement compensé les hausses générales de tarifs appliquées en 1989. Comme les taux relatifs à la majorité des produits transportés sur cette route, sont négociés pour un an avec des associations distinctes dans chaque cas, ces produits ont échappé aux hausses générales des taux (HGT) annoncées par les conférences.

Les deux conférences qui se chargent des exportations ont appliqué deux HGT en 1989, contre trois en 1988. Les augmentations ont totalisé 250 $ par conteneur de 20 pieds (ce qu'on appelle communément TEU) et 350 $ par conteneur de 40 pieds (une unité de mesure connue sous l'acronyme FEU). Un examen des taux, exigé pour certains des principaux produits transportés vers le Royaume-Uni et l'Europe continentale, révèle qu'aucun taux n'a subi la pleine majoration et qu'en moyenne, les augmentations étaient inférieures à 50 p. 100 de la HGT, certains taux diminuant même en raison d'un facteur d'ajustement monétaire plus faible.

La conférence qui transporte les importations en provenance du Royaume-Uni a décrété au cours de l'année une HGT de 125 $ par TEU et de 175 $ par FEU, alors que celle qui transporte les marchandises en provenance d'Europe continentale, a haussé ses taux de 75 $ par TEU et de 125 $ par FEU. Les taux applicables à certaines marchandises ont subi la majoration maximale, mais celle-ci a été pondérée par la réduction du facteur d'ajustement monétaire. Quant aux autres taux, ils n'ont pas augmenté, ou alors très peu, tandis que certains fléchissaient de façon significative.

La présence de plusieurs grandes lignes hors-conférence sur cette route a empêché les conférences de donner suite aux hausses envisagées. Toutefois, les exploitants membres de conférences et non membres ont convenu que les taux actuels sur ce marché ne sont pas assez élevés pour assurer un rendement suffisant sur l'investissement et ils envisagent un accord de réduction de la capacité analogue au Transpacific Stabilization Agreement afin de hausser les prix.

Est et ouest du Canada - Extrême-Orient

Les quatre conférences qui assuraient des services sur ces routes commerciales en 1988 sont restées actives sur ce marché en 1989. Les lignes de la TWRA sont restées les seules, parmi les membres de conférences, à offrir un service de transport de ligne à l'exportation entre l'est et l'ouest du Canada et les pays du Pacifique. Il y avait par contre trois conférences qui assuraient le transport des importations vers le Canada : ANERA, entre les pays du Pacifique (Japon excepté) et les deux côtes canadiennes, Japan-East Canada et Japan-West Canada (JEC et JWC).

En 1989, les modifications au niveau de la fréquence des services ont varié selon les routes. Les services hebdomadaires offerts par les lignes hors-conférence entre la côte est et l'Europe ont été plus nombreux que ceux annoncés par les lignes membres de conférences à la fin de 1988 et au début de 1989, car des transporteurs indépendants importants comme Maersk et Evergreen ont inauguré des services sur cette route. Sur la route australienne, les transporteurs indépendants qui proposent des services d'apport ont continué à offrir leurs services selon une fréquence supérieure en 1989 tandis que, du côté de l'Extrême-Orient, les liaisons hebdomadaires assurées par les lignes membres des conférences sont devenues moins nombreuses. Le temps de transit vers l'étranger, autre indicateur du niveau de service, est demeuré relativement constant, au cours des trois dernières années.

Toujours en 1989, de nombreuses lignes ont augmenté leur capacité relative de transport au Canada en mettant en service de nouveaux bateaux ou en remplaçant des navires moins économiques. Sur la côte est, Italia Line a augmenté sa capacité de transport de conteneurs en ajoutant deux nouveaux porte-conteneurs au service qu'elle assure conjointement avec Evergreen. Maersk a continué d'accroître sa capacité dans son service Europe/Amérique du Nord/Extrême-Orient en commençant à mettre en service ses nouveaux navires de série M de 4 000 TEU (conteneur équivalent - 20 pieds). Cast a ajouté un sixième vraquier-porte-conteneurs à sa flotte qui assure la liaison entre Montréal et l'Europe. Hoegh Lines, Scancarriers et Kent Line ont également pris des mesures concrètes pour accroître la capacité des services au départ de la côte est du Canada.

Sur la côte ouest, COSCO a commencé à accroître sa capacité de transport de conteneurs en mettant en service de nouveaux navires : la Australia-New Zealand Direct Line a utilisé trois rouliers nouvellement acquis pour ses services conjoints et Hoegh Lines a remplacé par trois vraquiers-porte-conteneurs, les bâtiments transférés sur la côte est. La Compagnie Générale Maritime (CGM), Neptune Orient et United Yugoslav Line figurent parmi les autres lignes qui ont accru leur capacité en 1989.

Même si les accroissements de capacité ont généralement été faits en réponse aux besoins des marchés américains, les expéditeurs canadiens en ont également profité. En fait, aucun expéditeur canadien n'a déploré en 1989 une capacité de transport insuffisante sur les principales routes de transport de ligne au Canada. Il y a même eu une capacité excédentaire considérable sur certaines grandes routes commerciales.

Rien n'indique que la LDCM ait eu une incidence importante sur un aspect quelconque des services offerts par les exploitants (membres de conférences ou non) aux expéditeurs canadiens en 1989.

Tarifs

La conjoncture a empêché le relèvement des taux de fret, mais il y a eu des hausses dans certains secteurs.

En se fondant sur une analyse des tarifs exigés pour les principaux produits acheminés, voici comment ont évolué les tarifs des conférences, pour les grandes routes commerciales canadiennes.

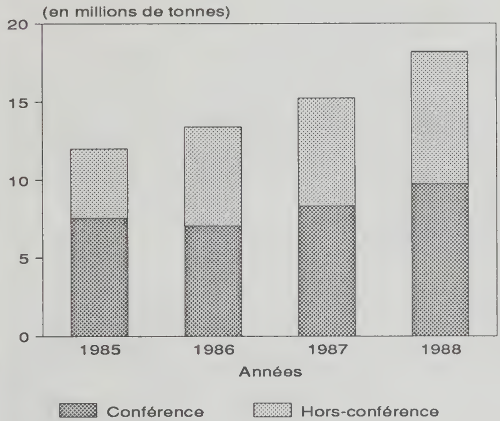
TABLEAU 6.1
Nombre de lignes maritimes offrant des services sur les grandes routes commerciales canadiennes

De/vers la côte ouest du Canada	**Aut. 1987**	**Aut. 1988**	**Print. 1989**	**Aut. 1989**
Lignes membres de conférences	23	20	22	23
Lignes hors-conférence	20	18	15	14
De/vers la côte est du Canada				
Lignes membres de conférences	23	22	22	24
Lignes hors-conférence	33	33	30	20

Note: Les trois principales routes commerciales sont les suivantes: Canada-R.U./Continent, Canada-Pays du Pacifique et Canada/Australie-Nouvelle-Zélande. Les chiffres comprennent les services directs au Canada, les services destinés au Canada via les ports américains et les services avec jonction terrestre.

relatives varient, mais les lignes membres de conférences et les lignes hors-conférence ont connu une augmentation de leur volume de marchandises en 1988.

GRAPHIQUE 6.2 : TRANSPORT MARITIME INTERNATIONAL DE LIGNE AU CANADA



Source : Banque de données de l'Office sur le transport de ligne

Les conférences ont continué, en 1988, de dominer dans le transport de ligne des marchandises à destination et en provenance de la côte est (62 p. 100), tandis que, sur la côte ouest, on retrouve un plus grand nombre de lignes non membres ayant assuré le transport de 73 p. 100 du trafic de marchandises. Néanmoins, le fret expédié de la côte de l'Atlantique est, dans une certaine mesure, surestimé puisque de grandes quantités de marchandises transportées entre les États-Unis et des pays étrangers transitent par Montréal. Par contre, on sous-estime, dans une certaine mesure, le volume de marchandises des services de transport de ligne sur la côte ouest parce que ce fret est détourné vers des ports américains du Pacifique pour expédition outre-mer.

Service

Le nombre des services assurés par les conférences à destination et à partir des ports canadiens des côtes est et ouest a augmenté tandis que diminuaient ceux assurés par les lignes hors-conférence.

Il y a eu en 1989 de nombreux rajustements dans le secteur du transport de ligne, secteur toujours dynamique. Ces changements ont porté aussi bien sur le nombre des services assurés par les conférences et par les lignes hors-conférence que sur la fréquence des services et la capacité, au Canada, du transport de ligne. Cette évolution a abouti, en 1989, à une augmentation générale du nombre des services fournis par les lignes membres des conférences et à une diminution de ceux assurés par les exploitants non membres sur les côtes est et ouest (voir tableau 6.1).

Parmi les faits qui retiennent l'attention, en 1989, dans les transports canadiens de l'Atlantique Nord, il faut noter la disparition des Yugoslav Canada and Koala Lines et le réaménagement des services d'Italian Line avec ceux d'Evergreen. Sur la côte ouest, Westwood Shipping et la Compagnie Maritime Belge (CMB) ont toutes deux retiré leurs services de transport de ligne et leur transport par conteneurs à destination de l'Europe tandis que Canada Maritime et OOCL maintenaient leurs services avec jonction terrestre de la côte ouest vers l'Europe via Montréal.

Du côté de l'Extrême-Orient, Hyundai Merchant Marine et Evergreen ont commencé à offrir leurs services avec jonction terrestre entre les ports de la côte est et l'Extrême-Orient via Seattle; Hong Kong Island Lines a mis fin à ses activités et vendu ses bâtiments à China Ocean Shipping Company (COSCO), et enfin Hoegh and Star Lines ont interrompu leurs services de transport de ligne à partir de la côte ouest. Autre changement lié aux précédents, OOCL s'est retirée du Transpacific Westbound Rate Agreement (TWRA) et du Asia North America Eastbound Rate Agreement (ANERA) en mars 1989, mais elle est restée membre de la Japan - West Canada (JWC) Conference et du Transpacific Stabilization Agreement.

Dans les échanges avec l'Australie, Ocean Star Line et Scancarriers, autrefois indépendantes, ont adhéré au CANZAC, Hong Kong Island Lines a retiré ses services, Knutsen Line a conclu un nouvel accord d'affrètement et COSCO a inauguré un service entre l'Australie et Vancouver, par l'intermédiaire d'un service d'apport extrême-oriental.

Sur la côte est, le nombre des conférences a diminué, passant de 21 l'année dernière à 17 en 1989, tandis que celles desservant la côte ouest du Canada sont restées à neuf. Les conférences actives sur les côtes est et ouest sont passées à quatre en 1989, soit deux de plus que l'année précédente. Des 30 conférences déposant des tarifs, 14 transportaient des exportations canadiennes, 11 des importations destinées au Canada et les cinq autres, à la fois des exportations et des importations.

Sur les grandes routes commerciales, le nombre de conférences actives au Canada n'a pas varié entre 1988 et 1989. Quelque 59 lignes étaient membres de conférences qui ont déposé des tarifs et ont été actives dans le transport de ligne au Canada, et 26 d'entre elles étaient membres de plus d'une conférence. La Eastern Canada/Australia - New Zealand Conference (ECANZ) a accueilli deux nouveaux membres en septembre 1989 et adopté un nouveau nom : Canada/Australia-New Zealand Association of Carriers (CANZAC).

ACCORDS PROVISOIRES ET TRANSITOIRES DONT LE DÉPÔT A ÉTÉ ACCEPTÉ AUX TERMES DE LA LDCM

En 1989, les accords provisoires et transitoires ont fait leur apparition dans le transport de ligne au Canada. L'Office, chargé d'appliquer la LDCM, a accepté le dépôt des accords suivants :

- **Transpacific Stabilization Agreement (TSA)**
- **Canada/Caribbean Shipowners' Association**
- **East Canada/Caribbean Discussion Agreement**
- **U.S./Middle East and Indian Subcontinent Discussion Agreement**
- **Caribbean Bridging Agreement**

Ces accords conclus entre des lignes membres de conférences et des lignes hors-conférence ont une portée variable. Si la plupart ont un caractère général, portant entre autres choses sur l'amorce de dialogue, des discussions relatives aux conditions commerciales, les niveaux de service, les grands événements et leur incidence, le Transpacific Stabilization Agreement est par contre très précis, réduisant la capacité de transport sur sa route commerciale en vue de stabiliser les tarifs et d'améliorer la rentabilité à court et à moyen termes.

Pour la première fois en 1989, l'Office a reçu et accepté cinq accords : trois accords provisoires, un accord transitoire et un accord de réduction de la capacité (voir l'encadré). Ces accords, ajoutés aux 30 accords intra-conférences sur le dépôt des tarifs et à l'accord mixte conclu entre des conférences des côtes ouest et est du Canada assurant le transport vers l'Australie, ont porté à 36, le nombre d'accords liés à la LDCM.

Malgré le dynamisme du transport international de ligne, on constate qu'au Canada, il y a eu peu de changements importants dans le nombre de conférences et de leurs membres en 1989.

ACTIVITÉS DES CONFÉRENCES

Importance des conférences pour le commerce canadien

Les tonnages transportés ont augmenté en 1988.

En termes de tonnage total de fret, le bateau reste le mode de transport le plus important dans les échanges commerciaux du Canada. Les expéditeurs canadiens font largement appel au transport maritime, qui est un maillon clé dans le réseau international de transport lequel leur permet de pénétrer les marchés étrangers et d'assurer la livraison, au moment approprié, des produits étrangers aux importateurs canadiens.

Les expéditions en vrac dominent les échanges du Canada, car ils représentent, de façon continue, la majeure partie du tonnage total acheminé par les services de transport maritime international (plus de 200 millions de tonnes ou 90 p. 100 du total). Même s'il ne représente qu'une partie bien plus modeste du trafic maritime international au Canada, le fret acheminé par les lignes canadiennes est loin d'être négligeable, étant donné la valeur proportionnellement plus élevée des marchandises transportées (par exemple, les marchandises conteneurisées).

Le graphique 6.2 permet de suivre les fluctuations du tonnage pris en charge par les transports de ligne canadiens, entre 1985 et 1988. Le tonnage hors-conférence indiqué dans l'Examen annuel de 1988, a été rajusté de façon à exclure les produits forestiers, transportés par des lignes spécialisées, car le service que celles-ci assurent ne correspond pas à la définition de ligne, les lignes devant transporter divers types de marchandises. À la suite de ce rajustement, on constate une augmentation de la proportion du tonnage transporté par les conférences et ce, pour toutes les années. Certes, les proportions

TERMES COURANTS DANS LE TRANSPORT MARITIME DE LIGNE

Conférence : Groupe de transporteurs maritimes assurant des services de ligne sur des routes commerciales communes et qui s'entendent sur les tarifs et les conditions de transport.

Service de transport de ligne : Navires opérant sur des itinéraires fixes ou selon des horaires réguliers sur des routes commerciales fixes. Ces services, qui excluent généralement le transport de vrac, peuvent être assurés par des lignes membres d'une conférence ou des lignes hors-conférence (indépendantes).

Contrat d'exclusivité limitée : Accord aux termes duquel un expéditeur s'engage à confier le transport d'une quantité minimale de marchandises à un ou plusieurs membres d'une conférence en échange d'un taux de fret inférieur au taux normal de la conférence ou un certain niveau de service déterminé.

Contrat d'exclusivité : Accord aux termes duquel un expéditeur obtient un taux de fret réduit des membres d'une conférence en contrepartie de quoi il s'engage à confier la totalité ou une partie déterminée de ses expéditions aux transporteurs membres de cette conférence.

Mesure distincte : Mesure prise par une ligne membre d'une conférence qui fixe un taux de fret ou une condition de service différents de ce que prévoient les dispositions tarifaires en vigueur de la conférence. La LDCM permet à toute ligne membre d'une conférence de prendre une mesure distincte pourvu qu'elle en informe la conférence, celle-ci ne pouvant exiger plus qu'un préavis de 15 jours.

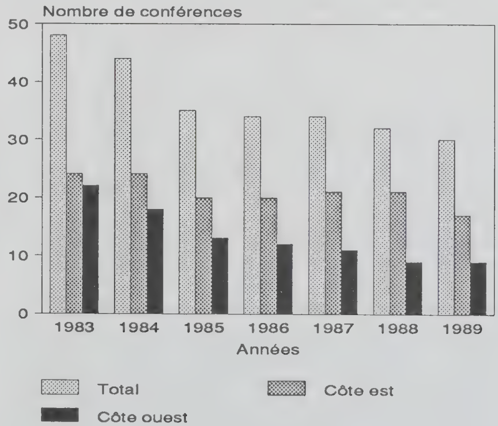
champs de concurrence tarifaire entre les transporteurs maritimes membres des conférences. Les principaux ajouts qui ont été faits dans la LDCM comprennent le droit inaliénable des lignes membres des conférences de prendre des mesures distinctes et le traitement de l'utilisation de contrats confidentiels par les conférences ou transporteurs membres comme pratique soustraite aux dispositions sur la concurrence. Comme corollaire, les conférences ont le droit d'établir les conditions liées à l'utilisation des contrats d'exclusivité limitée. Une autre révision de grande importance interdit aux conférences d'exiger de l'expéditeur la totalité de ses marchandises dans le cadre d'un contrat d'exclusivité. La LDCM prévoit des mécanismes d'enquête sur les plaintes se rapportant aux pratiques des conférences lorsque celles-ci débouchent sur une réduction déraisonnable des services de transport ou une augmentation excessive des frais de transport.

STRUCTURE DE L'INDUSTRIE

Le nombre de conférences déposant des tarifs est demeuré inchangé; des accords provisoires et transitoires ont été déposés auprès de l'Office pour la première fois.

Il n'y a eu aucun changement dans le nombre réel de conférences déposant des tarifs qui étaient actives au Canada en 1989. Bien que le graphique 6.1 montre une diminution, soit 32 conférences en 1988 et seulement 30 en 1989, cela est dû uniquement à une façon différente de calculer. La diminution nette tient uniquement au fait que les trois divisions restantes de la Conférence inter-américaine du trafic de marchandises ont été classées comme une seule entité en 1989.

GRAPHIQUE 6.1 : CONFÉRENCES ACTIVES AU CANADA AU 31 DÉCEMBRE DE CHAQUE ANNÉE



Sources : Dossiers de l'Office

Mesures distinctes - Incidence presque inchangée

Le recours aux mesures distinctes n'a pas augmenté de façon significative en 1989. Exception faite du trafic transpacifique, où les mesures distinctes ont été appliquées sur une grande échelle, cette disposition de la LDCM a été très peu utilisée sur les autres routes et, par conséquent, ne s'est pas révélée un mécanisme généralement efficace pour aviver la concurrence sur les prix entre les lignes membres des conférences ou comme une option tarifaire facilement accessible aux expéditeurs canadiens.

Les expéditeurs et transitaires connaissent encore mal la LDCM

Les expéditeurs et les transitaires canadiens ne semblent pas avoir une meilleure connaissance des dispositions et des objectifs de la LDCM. Les enquêtes annuelles menées par l'ONT auprès de ces groupes en 1989 révèlent que, parmi les répondants, les deux tiers des expéditeurs et la moitié des transitaires ne s'étaient toujours pas encore familiarisés avec la Loi.

Apparition d'accords provisoires et transitoires dans le transport maritime de ligne au Canada

Les accords provisoires et transitoires, entre des lignes membres de conférences et des lignes hors-conférence, ont fait leur apparition dans le secteur du transport maritime de ligne au Canada. En 1989, plusieurs accords de ce type ont été déposés auprès de l'Office.

Fin de l'étude de la FMC sur le *U.S. Shipping Act of 1984*

La Federal Maritime Commission a déposé au Congrès, en septembre 1989, son rapport d'examen quinquennal portant sur sa principale législation en matière de transport maritime. Les conclusions du rapport et les modifications du *U.S. Shipping Act of 1984* qui pourraient en découler, auront sans aucun doute des répercussions sur le transport maritime de ligne canadien et pourraient être un facteur à considérer dans l'examen complet dont la LDCM fera l'objet en 1992, car certaines dispositions de la loi canadienne s'inspireraient des mesures américaines.

OOCL quitte les conférences transpacifiques

Orient Overseas Container Line (OOCL), l'une des lignes de transport de conteneurs les plus importantes au monde, s'est retirée du Transpacific Westbound Rate Agreement (TWRA) et du Asia North America Eastbound Rate Agreement (ANERA) au début de 1989. La compagnie demeure active dans ce secteur, essentiellement comme transporteur indépendant, mais elle demeure toutefois signataire du Transpacific Stabilization Agreement.

Renouvellement du Transpacific Stabilization Agreement

Le Transpacific Stabilization Agreement (TSA), entente déposée auprès de l'Office en 1989 et signée par la plupart des transporteurs membres de conférences ou non, a été renouvelé pour 1990.

RÉFORME DE LA RÉGLEMENTATION

Le recours aux contrats d'exclusivité limitée fait l'objet d'une exemption aux termes de la LDCM. Les lignes membres d'une conférence maritime ont le droit inaliénable de prendre des mesures distinctes.

La LDCM est entrée en vigueur le 17 décembre 1987. Le but premier de cette loi n'est pas différent de celui de la *Loi dérogatoire de 1979 sur les conférences maritimes* : soustraire certaines pratiques des conférences maritimes actives au Canada aux dispositions de la *Loi sur la concurrence*. La LDCM ne s'applique toutefois pas aux lignes qui ne sont pas membres d'une conférence maritime. Cette mesure législative vise en outre à favoriser une plus grande transparence dans les activités des conférences au Canada en exigeant d'elles le dépôt, auprès de l'Office, de renseignements sur les tarifs pratiqués et les conditions de service proposées.

En vertu de l'une des dispositions de la LDCM, chaque conférence doit déposer auprès de l'Office son accord intra-conférence de base. La Loi interdit expressément aux conférences, de négocier sur une base collective les tarifs avec les entreprises de transport intérieur ou d'adopter une structure prédatoire de prix. La Loi de 1987 contient un certain nombre de dispositions nouvelles destinées à préciser et à limiter les dérogations consenties aux conférences, à établir, par souci d'équité, un meilleur équilibre entre les intérêts des expéditeurs canadiens et ceux des conférences maritimes et à élargir les

LE TRANSPORT MARITIME INTERNATIONAL DE LIGNE AU CANADA

FAITS SAILLANTS DE 1989

LDCM 1987 : Incidence faible ou nulle

Cette année encore, les expéditeurs canadiens, les transitaires internationaux et les conférences maritimes s'entendent pour dire que la *Loi dérogatoire de 1987 sur les conférences maritimes* (LDCM) n'a eu aucune incidence sur leurs activités respectives. Expéditeurs et transitaires se sont dits déçus que cette loi n'ait pas encore renforcé leur pouvoir de négociation avec les conférences, et celles-ci expriment également des réserves à l'égard de certains aspects de la Loi.

Pénurie de contrats d'exclusivité limitée

Les contrats d'exclusivité limitée, comme formule de tarification dont les expéditeurs canadiens peuvent se prévaloir, sont devenus encore plus rares en 1989 et risquent de disparaître. Il y a eu au cours de l'année deux conférences de plus qu'en 1988 qui les ont utilisés, mais seulement cinq au total ont été déposés auprès de l'Office. Le faible nombre de contrats déposés semble s'expliquer par les tendances canadiennes des tarifs du transport maritime de ligne, le grand nombre d'expéditeurs canadiens qui demandent aux transitaires de voir à leurs arrangements de transport, le peu de familiarité des expéditeurs avec les options tarifaires disponibles et les politiques mises en place par les conférences desservant le Canada quant à l'utilisation des contrats d'exclusivité limitée.

LES SERVICES DE TRANSPORT PAR EAU

résultats financiers en 1989. Les transporteurs offrant des services transfrontaliers disent avoir subi des pertes vers la fin de 1989 à cause des prix extrêmement compétitifs pratiqués par les transporteurs américains, mais ces pertes ne se feront pas vraiment sentir avant 1990.

La performance des 40 plus gros transporteurs au Canada, comprenant 27 transporteurs de marchandises générales, a été légèrement inférieure à celle de l'ensemble du secteur en 1989, bien qu'elle en ait suivi les tendances générales. Leur coefficient d'exploitation a généralement été d'environ 1,5 point supérieur au coefficient d'exploitation composite du secteur. Cela s'explique par la marge plus étroite inhérente aux marchés plus concurrentiels que desservent ces grands transporteurs.

Si l'on compare les résultats récents des entreprises canadiennes et américaines, la situation des 40 plus grands transporteurs canadiens et des 100 transporteurs américains les plus importants s'est légèrement dégradée. Néanmoins, le coefficient d'exploitation de ces entreprises américaines demeure plus favorable que celui des principaux transporteurs canadiens (voir tableau 5.2).

TABLEAU 5.2
Performance financière : comparaison des coefficients et recettes d'exploitation des entreprises canadiennes et américaines sur une période de neuf mois en 1988 et en 1989

	1988	1989		
			RECETTES	
	C.E.*	C.E.*	(milliards de $)	% du total du secteur
Canada - les 40 plus grandes entreprises	96,5	97,1	$ 2,3	32
É.-U. - les 100 plus grandes entreprises	95,0	95,7	$14,9	30**

* Coefficient d'exploitation

** Données extraites des recettes totales des firmes de camionnage réglementées par l'Interstate Commerce Commission (classes I, II et III)

Sources : Statistique Canada, U.S. Interstate Commerce Commission, American Trucking Association

qu'une détérioration des résultats au cours du dernier trimestre de 1989 ait touché les améliorations notées.

Les fluctuations trimestrielles ont été très marquées dans ce secteur, le ratio d'exploitation composite variant entre un maximum de 99,1 au cours du premier trimestre et un minimum de 93,0 pendant le second trimestre. Une partie de ces fluctuations peut toutefois s'expliquer par les différences au niveau des modalités de rapport et de répartition de certains coûts annuels (voir graphique 5.21).

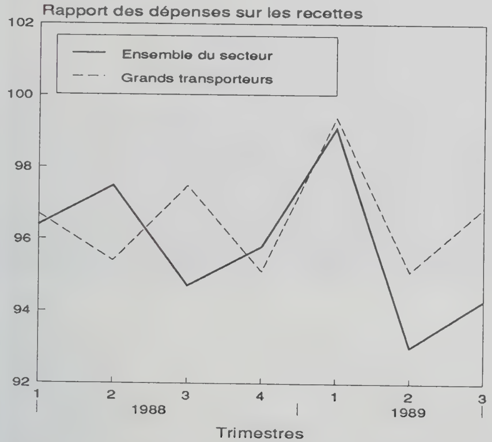
Environ 60 p. 100 des transporteurs interviewés dans le cadre de l'examen annuel ont dit que leur situation financière s'était améliorée ou était restée stable en 1989. Cette amélioration a découlé en grande partie d'une plus grande efficacité dans l'utilisation de l'équipement et dans les opérations, d'un contrôle plus étroit des coûts, de meilleures stratégies de prix, d'une rationalisation des opérations et, dans certains cas, d'une hausse des tarifs. Les expansions territoriales ont permis un meilleur équilibre du trafic. La réduction du nombre de milles parcourus à vide a été un élément clé de la stabilisation ou de l'amélioration des marges pour un certain nombre de transporteurs de marchandises générales. La rationalisation et la restructuration des opérations ont eu un effet positif sur l'état des revenus de certains transporteurs, alors que d'autres en étaient encore à absorber les coûts encourus par les fusions, les acquisitions et les expansions.

Il semble, d'après les entrevues, que les transporteurs hésitent de plus en plus à accroître leur trafic à n'importe quel prix. Même si la concurrence est plus forte, les transporteurs sont moins portés à fournir des services pour un tarif inférieur au prix de revient, étant donné que les possibilités d'interfinancement entre les services sont moins grandes. Les capitaux nécessaires à l'acquisition d'équipement neuf sont un autre facteur qui incite les entreprises à améliorer leur taux de rendement.

En tant que groupe, les transporteurs de taille moyenne, ceux qui exploitent un parc de 100 à 200 tracteurs, semblent avoir réussi moins bien que les transporteurs plus importants ou plus petits à s'adapter à l'évolution de ce secteur d'activité. En effet, plus de 60 p. 100 des transporteurs moyens consultés ont déclaré que leur situation s'était détériorée en 1989, alors que la proportion n'est que de 40 p. 100 dans les deux autres groupes. Simultanément, moins du tiers des transporteurs de taille moyenne ont dit avoir atteint ou dépassé leurs prévisions financières de l'année, en 1989 (voir graphique 5.22).

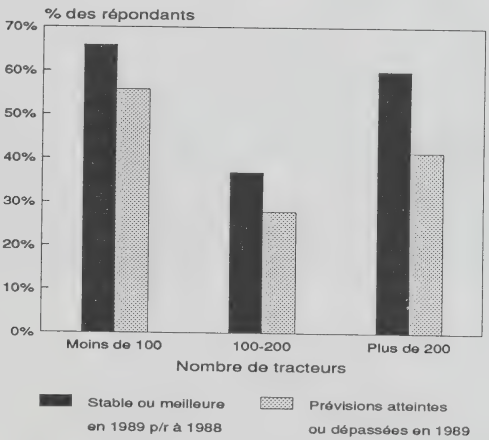
Parmi les transporteurs consultés, le type d'entreprise ne faisait que peu de différence dans l'évaluation de la situation financière. Toutefois, sur le plan régional, la proportion des transporteurs qui ont signalé une détérioration de leur situation, était plus forte en Ontario et au Québec. La moitié des transporteurs de ces provinces avouent une détérioration de leurs

GRAPHIQUE 5.21 : COEFFICIENTS D'EXPLOITATION



Source : Statistique Canada

GRAPHIQUE 5.22 : SITUATION FINANCIÈRE EN 1989, SELON LA TAILLE DE L'ENTREPRISE



Source : Examen de la situation des transporteurs par l'Office

ÉLÉMENTS CLÉS DANS LES RELATIONS TRANSPORTEUR-EXPÉDITEUR

- **Prix**
- **Recours aux appels d'offres**
- **Ponctualité du service de livraison**
- **Équipement**
- **Pistage des livraisons**
- **Couverture du marché**
- **Cote et mesures de sécurité**
- **Couverture de responsabilité et limitation des dommages**
- **Impact environnemental**

expéditeurs ont fait remarquer que cette approche présentait des avantages concrets.

Plus de 60 p. 100 des expéditeurs ont dit que, lorsque confrontés à des hausses de tarifs, ils avaient réussi à faire réduire ou à éliminer l'augmentation proposée, soit en négociant, soit en optant pour un autre transporteur. Les autres expéditeurs ont soit absorbé la hausse ou soit rajusté le prix de leurs marchandises en conséquence. Moins de 3 p. 100 d'entre eux ont choisi un autre mode de transport à la suite d'une augmentation de tarif.

Environ 40 p. 100 des expéditeurs ont dit faire appel aux services d'un courtier et une proportion appréciable de ces expéditeurs ont déclaré avoir utilisé davantage ces services en 1989. Le recours aux services de courtiers ne varie pas de façon significative selon la taille des expéditeurs.

Dans l'ensemble, les transporteurs sont d'avis que le recours aux courtiers est à la hausse, surtout en raison de l'entrée récente de nouveaux transporteurs sur le marché. Les transporteurs consultés dans le cadre de l'examen annuel font appel aux courtiers surtout pour trouver des chargements à transporter au retour des États-Unis. Certains transporteurs préconisent des contrôles des activités des courtiers, par exemple des accords de garantie, pour assurer la sécurité financière des transactions entre transporteurs et courtiers.

L'équipement est un facteur clé aussi bien pour le transporteur que pour l'expéditeur. Le potentiel d'accroissement direct de la productivité incite fortement le transporteur à utiliser l'équipement le plus efficace possible, tout en satisfaisant aux exigences de l'expéditeur. En 1989, 84 p. 100 des transporteurs consultés ont dit qu'ils avaient acquis de l'équipement neuf, le plus souvent pour remplacer celui qu'ils avaient déjà. Le gouvernement de l'Ontario a décidé d'autoriser de plus longs véhicules articulés, ce qui a généralement été accueilli par l'industrie comme une façon d'assurer une plus grande uniformité entre les divers territoires ou provinces et une plus grande souplesse dans les services sur les marchés intérieur et transfrontalier. Du point de vue des expéditeurs, l'augmentation de la capacité de chaque expédition avec charges complètes, avec un train routier ou une remorque de 53 pieds, permettra d'abaisser le coût unitaire du transport routier.

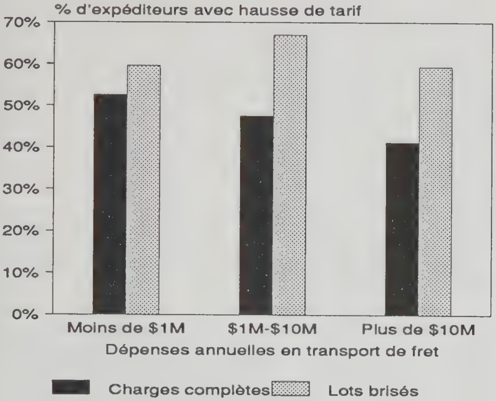
En offrant leurs services sur un marché plus vaste, les transporteurs sont en meilleure posture pour obtenir une plus grande partie du trafic des expéditeurs. Ces derniers, quant à eux, cherchent à accroître leur efficacité et à réduire les frais administratifs en traitant avec un nombre moins important de transporteurs que par le passé. En outre, les transporteurs sont plus nombreux à offrir une gamme diversifiée de services à valeur ajoutée, comme le pistage informatisé, l'entreposage, le courtage et la logistique des réseaux. Il existait auparavant une étroite collaboration entre transporteurs et expéditeurs des segments des services perfectionnés ou spécialisés (par ex., les liquides en vrac et les produits chimiques), mais des entreprises mixtes de transporteur-expéditeur ont fait leur apparition dans d'autres segments en raison d'impératifs en matière de responsabilité, de sécurité et d'impact environnemental ou à cause de conditions particulières.

PERFORMANCE FINANCIÈRE DES TRANSPORTEURS

Les indicateurs financiers pour les neuf premiers mois de 1989 ont révélé une légère amélioration de la performance financière des transporteurs.

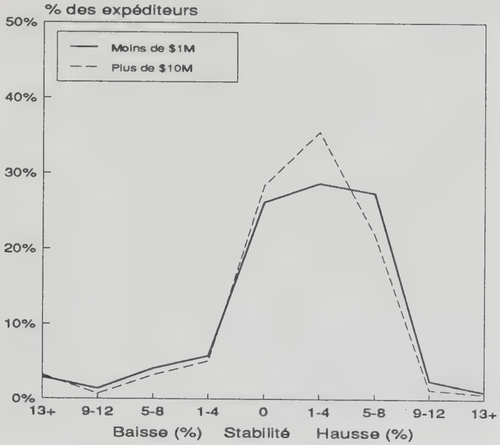
La performance financière du secteur du camionnage s'est légèrement améliorée au cours des neuf premiers mois de 1989 par rapport à la période correspondante de l'année précédente. Le ratio d'exploitation, soit le rapport des dépenses d'exploitation sur les revenus d'exploitation exprimé en pourcentage, des transporteurs pour compte d'autrui, pendant les neuf premiers mois de 1989, a été de 95,5 comparativement à 96,2 pendant la période correspondante l'an dernier. Cependant, il semble

GRAPHIQUE 5.18 : CHANGEMENTS DE TARIF SELON LA TAILLE DE L'EXPÉDITEUR



Source : Enquête de l'Office auprès des expéditeurs

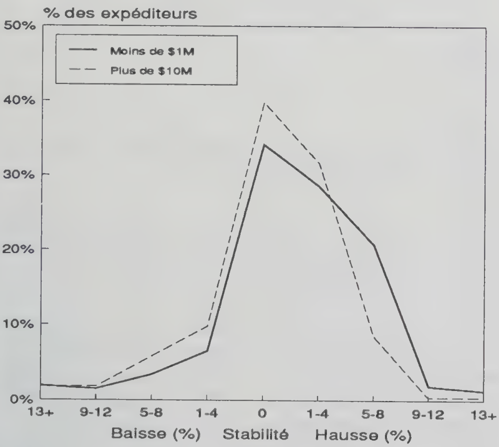
GRAPHIQUE 5.20 : CHANGEMENTS DE TARIF POUR LES LOTS BRISÉS SIGNALÉS PAR LES GRANDS ET LES PETITS EXPÉDITEURS



CHANGEMENT DANS LES TARIFS EN %

Source : Enquête de l'Office auprès des expéditeurs

GRAPHIQUE 5.19 : CHANGEMENTS DE TARIF POUR LES CHARGES COMPLÈTES SIGNALÉS PAR LES GRANDS ET LES PETITS EXPÉDITEURS



CHANGEMENT DANS LES TARIFS EN %

Source : Enquête de l'Office auprès des expéditeurs

Relations transporteur-expéditeur

La question des tarifs est demeurée au coeur des relations entre transporteur et expéditeur, bien qu'une plus grande importance ait été accordée au service.

Les réactions des transporteurs à la concurrence sur les prix, dans les services de transport de charges complètes et de lots brisés, ont été plus modérées en 1989. Les transporteurs soutiennent que compte tenu du fait que les gains d'efficacité ont atteint un seuil limite, ils doivent appliquer des politiques de prix qui leur permettent d'absorber les coûts à long terme, notamment en ce qui concerne l'acquisition d'équipement plus productif et les dépenses à encourir pour se conformer aux normes de sécurité. Pour leur part, les expéditeurs, tout en continuant de rechercher les meilleurs prix, s'intéressent davantage aux divers aspects du service et aux grandes questions que sont la sécurité et la stabilité du secteur du camionnage.

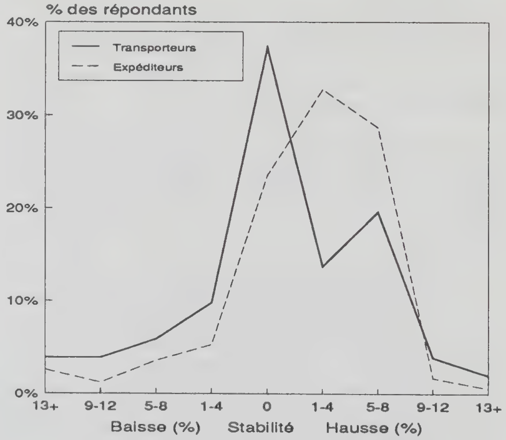
Les transporteurs et les expéditeurs ont fait état d'une tendance à un plus grand recours aux appels d'offres, notamment pour les besoins en transport dont les divers aspects sont relativement bien définis, comme la quantité et les caractéristiques des livraisons. Les

Lots brisés

La plupart des expéditeurs et des transporteurs ont signalé des augmentations de tarif modérées pour le transport de lots brisés.

Les tarifs du transport de lots brisés ont été relativement stables, compte tenu d'un effort assez considérable de rationalisation et du petit nombre d'entreprises qui sont entrées sur ce marché. Les augmentations générales des taux réels se sont situées entre 4 et 8 p. 100. Les transporteurs ont continué d'accorder des ristournes substantielles sur les taux initialement demandés, notamment dans les services internationaux (voir graphique 5.16).

GRAPHIQUE 5.16 : RÉPARTITION DES CHANGEMENTS DE TARIF POUR LE TRANSPORT DE LOTS BRISÉS ENTRE 1988 ET 1989, SELON LES TRANSPORTEURS ET LES EXPÉDITEURS

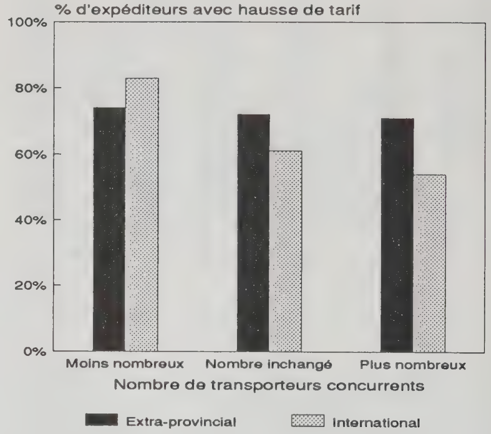


CHANGEMENT DANS LES TARIFS EN %

Source : Enquête de l'Office auprès des expéditeurs et examen de la situation des transporteurs par l'Office

Selon l'enquête de l'Office auprès des expéditeurs, le niveau de concurrence a eu un effet moindre sur les tarifs du transport de lots brisés que sur ceux du secteur des charges complètes. En ce qui concerne le transport intérieur extra-provincial des lots brisés, le pourcentage des expéditeurs qui signalent une hausse des tarifs est presque identique, nonobstant le fait que le nombre de concurrents se disputant la clientèle soit plus ou moins nombreux par rapport à l'année précédente. C'est seulement sur le marché international que la proportion des expéditeurs signalant des augmentations de tarif est de façon notoire plus faible lorsque la concurrence est plus vigoureuse (voir graphique 5.17).

GRAPHIQUE 5.17 : INCIDENCE DU NIVEAU DE CONCURRENCE SUR LE TARIF DU TRANSPORT DE LOTS BRISÉS



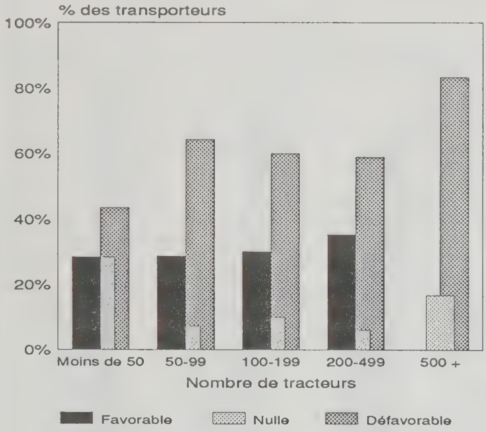
Source : Enquête de l'Office auprès des expéditeurs

Tarifs selon la taille de l'expéditeur

Les modifications de tarif signalées n'ont pas varié de façon significative selon la taille de l'expéditeur.

Sur les marchés du transport de charges complètes, la proportion des expéditeurs importants (dont les dépenses annuelles en services de transport sont supérieures à 10 millions de dollars) qui déclarent avoir subi une augmentation de tarif, a été légèrement inférieure à celle des petits et moyens expéditeurs (voir graphique 5.18). Par contre, il n'y a aucune différence notable sur le marché des lots brisés, car c'est généralement la même proportion de transporteurs, qu'ils soient plus ou moins importants, qui signalent des hausses de tarif. Dans l'ensemble, l'ampleur des changements de tarif ne semble pas dépendre de la taille des entreprises, qu'il s'agisse du secteur des charges complètes ou de celui des lots brisés (voir graphiques 5.19 et 5.20).

GRAPHIQUE 5.13 : INCIDENCE DE LA RÉFORME DE LA RÉGLEMENTATION SUR LA COMPAGNIE - OPINION DES TRANSPORTEURS, SELON LA TAILLE DU PARC



Source : Examen de la situation des transporteurs par l'Office

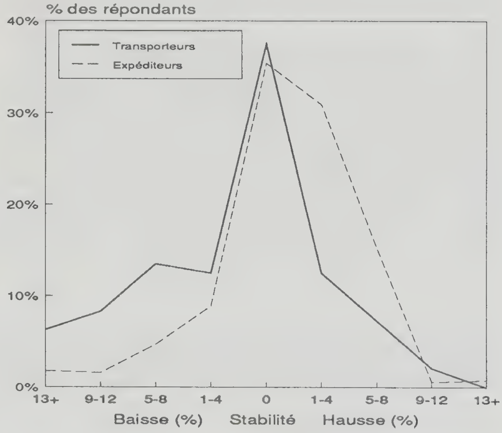
coûts et d'établissement des prix ont également été appliquées.

Dans l'ensemble, la répartition des changements de tarif dont les transporteurs ont fait état correspond étroitement à celle qu'il a été possible d'établir à partir des réponses des expéditeurs (voir graphique 5.14).

Les tendances dans l'évolution des tarifs obéissent à un ensemble de facteurs, comme la charge utile, l'équilibre du trafic et les diverses longueurs de parcours. Or, on constate que les tarifs ont semblé relativement plus instables dans le secteur des marchandises générales, par opposition aux services spécialisés comme celui des liquides en vrac. Les transporteurs ontariens et québécois ont dit aussi qu'ils devaient affronter une forte concurrence sur les prix de la part des compagnies américaines dans le transport transfrontalier des charges complètes.

Tel que prévu, le niveau de concurrence se révèle être l'élément clé en ce qui a trait à l'évolution des tarifs dans presque toutes les régions. Là où un moins grand nombre de transporteurs se disputaient la clientèle, 70 p. 100 des expéditeurs ont signalé un accroissement des tarifs dans le transport extra-provincial des charges complètes, alors que seulement 45 p. 100 d'entre eux faisaient état d'une hausse là où la concurrence s'était intensifiée. Dans

GRAPHIQUE 5.14 : RÉPARTITION DES CHANGEMENTS DE TARIF POUR LE TRANSPORT DE CHARGES COMPLÈTES ENTRE 1988 ET 1989, SELON LES TRANSPORTEURS ET LES EXPÉDITEURS

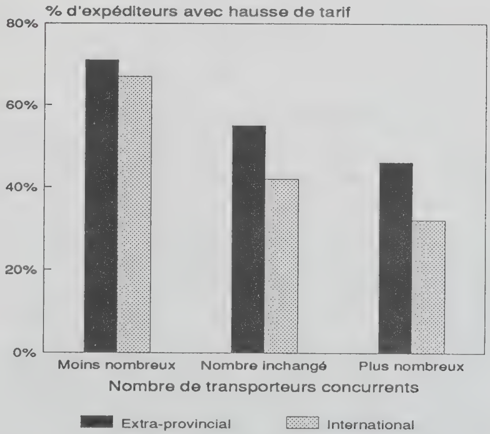


CHANGEMENT DANS LES TARIFS EN %

Source : Enquête de l'Office auprès des expéditeurs et examen de la situation des transporteurs par l'Office

les services internationaux, 65 p. 100 des expéditeurs ont dit que les tarifs avaient augmenté, là où les transporteurs étaient moins nombreux, et 35 p. 100 seulement, là où la concurrence s'était accrue (voir graphique 5.15).

GRAPHIQUE 5.15 : INCIDENCE DU NIVEAU DE CONCURRENCE SUR LE TARIF DU TRANSPORT DE CHARGES COMPLÈTES



Source : Enquête de l'Office auprès des expéditeurs

productivité. L'élargissement du champ d'activité a permis de mieux équilibrer les flux du trafic et donc d'accroître l'efficacité des opérations. Les transporteurs constatent qu'il y a des avantages à court terme reliés à des marchés plus étendus, soit une plus grande souplesse et une ingérence moindre de la réglementation. À long terme, la stabilité du secteur dépend de l'uniformité d'application du Code national de sécurité dans toutes les provinces et dans les territoires ainsi que de modalités d'exécution équitables pour tous les transporteurs. Les entreprises craignent en effet que le potentiel d'amélioration et de gains d'efficacité inhérent à la législation fédérale ne puisse pas être exploité, faute d'une application uniforme du Code. Les évaluations défavorables que certains transporteurs ont faites de l'incidence de la réforme, jusqu'à maintenant, concernent les effets d'une surcapacité généralisée et d'une concurrence plus aggressive.

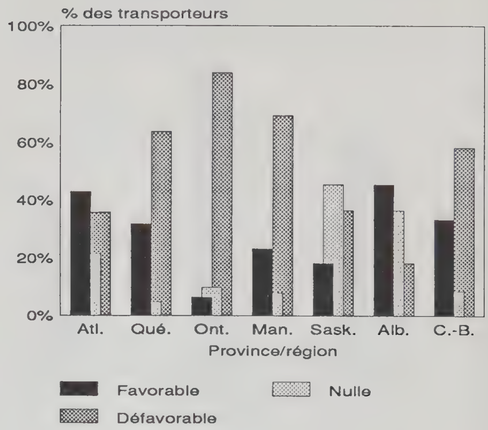
Les voituriers-remorqueurs craignent aussi l'effet sur leur rentabilité, d'une concurrence soutenue sur les prix. La moitié d'entre eux, selon les résultats d'un sondage limité auprès des membres d'une association de voituriers-remorqueurs, ont touché en 1989 des tarifs plus faibles que l'année précédente pour le transport sur longue distance. Un autre groupe de 40 p. 100 maintient que les tarifs sont restés inchangés en dépit d'un accroissement des coûts, tandis que, selon 5 p. 100 des répondants, les tarifs ont augmenté en 1989.

Sur le plan régional, la majorité des transporteurs consultés dans les provinces de l'Atlantique, en Saskatchewan et en Alberta ont soutenu que la réforme de la réglementation avait eu une incidence positive ou du moins n'avait pas nui, ni au niveau de leur entreprise ni à celui du secteur d'activité en général (voir graphique 5.12). À l'opposé, les transporteurs ontariens ont généralement été négatifs dans leur évaluation, leur opinion tenant à trois facteurs : l'arrivée de nouvelles entreprises dans le transport extra-provincial, une pénétration importante par les compagnies américaines du secteur du transport transfrontalier de charges complètes, et une concurrence plus vive dans le transport intra-provincial, en raison de la nouvelle législation provinciale.

Si l'on tient compte de la taille des entreprises, les petits transporteurs semblent davantage enclins à croire que la réforme a eu une incidence positive se traduisant principalement par une augmentation des débouchés.

Tous les grands transporteurs, c'est-à-dire ceux qui ont plus de 500 tracteurs, estiment que l'incidence de

GRAPHIQUE 5.12 : INCIDENCE DE LA RÉFORME DE LA RÉGLEMENTATION SUR LA COMPAGNIE - OPINION DES TRANSPORTEURS, PAR PROVINCE/RÉGION



Source : Examen de la situation des transporteurs par l'Office

la réforme a été négative sur l'ensemble du secteur (voir graphique 5.13). Étant donné que le champ des opérations est plus étendu, les différences qui peuvent exister d'un endroit à l'autre quant à la mise en œuvre du Code national de sécurité et aux mesures d'exécution représentent pour eux un enjeu plus considérable. En outre, bien que ces transporteurs aient été nombreux à faire des acquisitions et à aller de l'avant avec des programmes d'expansion, ils ont aussi vu leur part de marché diminuer au profit de concurrents canadiens et étrangers.

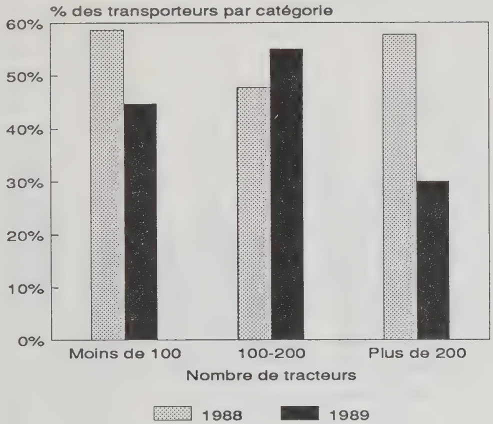
Tarifs

Charges complètes

En dépit de pressions à la baisse persistantes, les tarifs du camionnage de charges complètes ont été généralement plus stables en 1989.

Environ la moitié des transporteurs consultés en 1989 ont déclaré une diminution des recettes unitaires moyennes, bien que, dans certains cas, les modifications de tarif aient été attribuables à un réaménagement du trafic et des marchés. Sur certains marchés soumis à une concurrence acharnée, la baisse des tarifs a été compensée par un accroissement des charges utiles, grâce à un meilleur équilibre du trafic et à la formule des parcours en triangle. De meilleures techniques de contrôle des

GRAPHIQUE 5.10 : TRANSPORTEURS DE CHARGES COMPLÈTES DÉCLARANT UNE AUGMENTATION DU TRAFIC, SELON LA TAILLE DU PARC - COMPARAISON ENTRE 1988 ET 1989



Source : Examen de la situation des transporteurs par l'Office

Dans le secteur des lots brisés, un peu plus de la moitié des transporteurs ont enregistré une augmentation de 5 p. 100 ou plus de leur volume transporté. Seulement un huitième des transporteurs de lots brisés consultés ont dit avoir subi une baisse importante de leur trafic. Dans la plupart des cas, la baisse de trafic découle d'une rationalisation interne des opérations, tandis que les hausses sont en grande partie attribuables à une plus grande couverture du marché et à des consolidations.

Un certain nombre d'entreprises disent que leur volume transporté n'a à peu près pas varié. La composition générale du trafic de ces transporteurs montre que les reculs sur les marchés traditionnels ont été compensés par des percées qu'ils ont faites sur de nouveaux marchés ou dans des domaines différents en proposant davantage de services directs. Les transporteurs régionaux ont perdu une partie de leur trafic inter-réseaux, car des transporteurs du marché intérieur ont profité de droits d'exploitation plus étendus pour assurer davantage de services directs. Pour les expéditeurs, le service direct réduit la manutention et les temps de transit.

Une présence plus importante de transporteurs américains, notamment en Ontario, a entraîné une perte de trafic autrefois acheminé par liaison inter-réseaux. Dans d'autres régions, comme le Québec et les provinces de l'Atlantique, les ententes entre transporteurs constituent une solution valable.

Incidence de la réforme

La réforme de la réglementation a permis aux transporteurs d'étendre leur champ d'activité en leur laissant une plus grande souplesse d'opération. Le manque d'uniformité dans l'application du Code national de sécurité soulève cependant des inquiétudes.

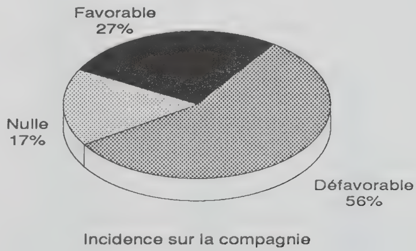
Invités à évaluer l'incidence de l'assouplissement des contrôles à l'entrée sur le marché, relativement à des facteurs tels que l'offre et la qualité des services et les tarifs, les expéditeurs ont eu une réaction généralement favorable.

Les réactions des transporteurs sont analogues à celles de 1988 : un tiers d'entre eux estiment que les effets sur leurs propres activités ont été positifs (voir graphique 5.11). Dans une proportion légèrement plus faible, ils affirment que la réforme de la réglementation a été bénéfique pour l'ensemble du secteur.

Sauf au Manitoba, où des retards ont été observés dans le traitement des demandes, le processus d'entrée a cessé d'être, en 1989, une question litigieuse.

Les transporteurs sont d'avis que l'assouplissement des contrôles à l'entrée sur le marché a créé un milieu où les forces du marché peuvent mieux s'exercer et qui est plus favorable à l'accroissement de la

GRAPHIQUE 5.11 : INCIDENCE DE LA RÉFORME DE LA RÉGLEMENTATION - OPINION DES TRANSPORTEURS



Source : Examen de la situation des transporteurs par l'Office

majorité des entreprises canadiennes actives sur le marché transfrontalier en Ontario ont admis qu'elles avaient entrepris ou envisageaient de déménager aux États-Unis.

Services privés de camionnage

La concurrence des camionneurs privés dans le secteur du transport pour compte d'autrui est demeurée stable.

Les services privés de camionnage sont des services de transport pour compte propre, tels ceux d'un manufacturier et d'un détaillant. Cependant, un nombre de transporteurs pour compte propre détiennent également des permis leur permettant d'offrir des services pour compte d'autrui.

Environ le quart des transporteurs consultés dans le cadre de l'examen annuel ont signalé une présence accrue des camionneurs privés dans le secteur du transport pour compte d'autrui, mais moins de la moitié d'entre eux auraient perdu une part du trafic au profit de ces camionneurs. Les transporteurs pour compte d'autrui estiment que la concurrence des camionneurs privés découle surtout du besoin qu'éprouvent ces derniers de trouver des chargements pour le trajet de retour, la plupart du temps dans les secteurs des marchandises générales, notamment les denrées alimentaires et le commerce de détail. Lorsque les camionneurs privés s'approprient ce type de trafic, le volume des chargements et les tarifs des transporteurs pour compte d'autrui doivent baisser, surtout dans les secteurs à faible densité et dans les régions éloignées.

Les transporteurs ont remarqué que certains grands expéditeurs réduisent leurs activités de camionnage pour compte propre, surtout dans les secteurs où les facteurs de sécurité et de protection de l'environnement sont cruciaux, comme le transport de liquides en vrac. Dans l'ensemble, les transporteurs croient plus probable que les camionneurs privés perdront du terrain, étant donné, d'une part, le niveau de concurrence et l'offre des services de transport pour compte d'autrui et, d'autre part, l'application plus complète des dispositions législatives fédérales et provinciales en matière de sécurité.

Quoi qu'il en soit, le recours aux services des camionneurs privés a été passablement répandu en 1989. Plus de 40 p. 100 des expéditeurs qui utilisent des services de camionnage pour acheminer la totalité ou une partie de leurs marchandises ont déclaré avoir fait appel à des services de camionnage privés en 1989, soit grosso modo la même proportion qu'en 1988. Environ le quart des expéditeurs qui ont un parc d'équipement dont ils sont propriétaires ou locataires ont déclaré avoir élargi leur parc en 1989, tandis que 8 p. 100 ont dit l'avoir réduit. Près de la moitié des expéditeurs ayant leur propre flotte de camions déclaraient détenir un droit d'exploitation extra-provinciale en 1989.

ACTIVITÉS DE CAMIONNAGE

Trafic

La majorité des expéditeurs et des transporteurs ont rapporté une demande stable ou accrue pour les services de camionnage en 1989.

L'enquête effectuée auprès des expéditeurs révèle que la demande pour les services de camionnage a augmenté en moyenne de près de 4 p. 100. Alors que la majorité des expéditeurs déclarent que la demande pour leurs services n'a pas changé de façon notable en 1989, près du quart soutiennent par ailleurs qu'elle a augmenté chez eux, dans bien des cas de plus de 10 p. 100. Cette évolution tient à la conjoncture du marché, à la disponibilité des services et aux transferts de trafic d'un mode à un autre. Par ailleurs, la demande a diminué chez environ 5 p. 100 des expéditeurs.

Parmi les transporteurs consultés en 1989, près de la moitié de ceux qui fournissent des services de transport de charges complètes ont déclaré que le volume transporté avait augmenté d'au moins 5 p. 100 par rapport à 1988, alors que le tiers des transporteurs a constaté une diminution. Si l'on tient compte de la taille des entreprises, il y a eu en 1989, toutes proportions gardées, un accroissement plus grand de trafic chez les petits et moyens transporteurs que chez les grands transporteurs (voir graphique 5.10). Par ailleurs, il y a eu en 1989 moins de grands transporteurs qu'en 1988 ayant déclaré une augmentation de trafic.

L'augmentation du trafic des transporteurs est en grande partie attribuable à l'extension de leur territoire ou de leur marché, à la faveur de droits d'exploitation plus étendus. Des stratégies visant à accroître les charges utiles, à équilibrer le trafic et à réduire les distances parcourues à vide ont contribué à cet accroissement. L'augmentation de la part de marché s'est faite essentiellement aux dépens des autres entreprises de camionnage, quoique, dans le tiers des cas, elle se soit exercée au détriment des chemins de fer. Un certain nombre de transporteurs ont élargi leur part de marché grâce à des fusions et à des acquisitions.

porte-conteneurs à deux niveaux qui vont de la côte ouest jusqu'au Mid-West. Ces transporteurs se tournent donc vers le marché des transports sur courte distance et les marchés régionaux, y compris le marché transfrontalier, pour compenser la diminution de leur trafic longue distance.

- Les compagnies de camionnage canadiennes et américaines se préparent à profiter de l'accroissement prévisible du trafic transfrontalier, les fabricants et producteurs s'adaptant aux dispositions de l'Accord de libre-échange entre le Canada et les États-Unis.
- Comme une partie importante du marché canadien du transport de marchandises générales se trouve relativement près des États-Unis, surtout pour le sud de l'Ontario et du Québec, les transporteurs américains peuvent offrir des services transfrontaliers qui ne sont guère qu'un prolongement de leurs réseaux intérieurs.
- Au cours des trois dernières années, il s'est avéré plus intéressant pour les expéditeurs canadiens de faire appel à des transporteurs américains pour leurs expéditions vers le sud, en raison de l'appréciation de la devise canadienne par rapport au dollar américain. À l'inverse, le taux de change est un handicap pour les transporteurs canadiens désireux de desservir la clientèle d'expéditeurs américains. Par rapport à 1987, la valeur des recettes tirées des opérations sur le marché transfrontalier serait, toutes choses étant égales, inférieure de 10 p. 100 pour les transporteurs canadiens, en 1989.

Les transporteurs canadiens, surtout ceux de l'Ontario et du Québec, ont dû affronter la vive concurrence des grands transporteurs américains au niveau des prix, notamment sur les expéditions de fort volume en pièces de rechange de voiture et de papier journal. Les expéditeurs semblent tirer un net avantage de cette concurrence accrue, où les différences de prix entre les transporteurs américains et canadiens sont de l'ordre de 10 à 20 p. 100. En 1989, des entreprises canadiennes ont perdu une part de leur marché et ont dû réduire leurs activités. Il y a donc lieu de se demander si les transporteurs canadiens peuvent livrer concurrence sur le marché transfrontalier.

Le secteur du camionnage a isolé un certain nombre de facteurs qui peuvent déséquilibrer la concurrence entre les transporteurs canadiens et américains sur le marché transfrontalier. Ces déséquilibres tiennent surtout à la structure tarifaire et à la logistique opérationnelle.

Aux États-Unis, un amortissement plus rapide de l'équipement est permis, tant pour les tracteurs que pour les remorques. Bien que certains transporteurs canadiens admettent que le plan d'amortissement canadien laisse, en matière d'obligations fiscales, une souplesse qui n'existe pas aux États-Unis, dans l'ensemble, les entreprises canadiennes de transport par camionnage estiment que les dispositions fiscales américaines en matière d'amortissement sont plus avantageuses du point de vue de la liquidité. De plus, le taux d'imposition du revenu des compagnies est jugé plus faible aux États-Unis.

Les frais de main-d'œuvre paraissent aussi moins élevés, quoique cela puisse varier selon la région, la proportion relative de camionneurs salariés et de voituriers-remorqueurs et la longueur des trajets. On estime que l'équipement coûte en moyenne 10 p. 100 moins cher aux États-Unis.

Enfin, la logistique des opérations transfrontalières dans les grands marchés centraux est telle qu'un transporteur américain peut, en intégrant la partie transfrontalière dans une structure de transports intérieurs plus large, offrir des tarifs de long parcours pour ce qui peut être parfois un trajet essentiellement de courte distance.

De son côté, le transporteur canadien se bute à des obstacles de logistique et de marketing s'il s'efforce de pénétrer le marché américain. La pénétration sur de longues distances fait augmenter considérablement les risques de parcours à vide ou peu rentables sur les voyages de retour. En guise de solution à ce type de problème, certains transporteurs canadiens ont établi des centres d'exploitation aux États-Unis, conclu des ententes d'apport avec des transporteurs américains et fait appel à des courtiers de fret. Cependant, le transporteur canadien, sur le marché transfrontalier, est confiné à une structure de prix élevée, soit celle des courtes distances.

Il n'est guère facile de mesurer avec précision l'incidence globale de ces facteurs sur la structure des frais d'exploitation, car elle dépend de la taille du transporteur et du segment de marché. Quoiqu'il en soit, les transporteurs jugent que les prix inférieurs proposés par leurs concurrents américains en 1989 sont attribuables à des frais d'exploitation moins élevés.

En raison de ces facteurs, un certain nombre de transporteurs ontariens ont déménagé au moins une partie de leurs opérations dans les États américains avoisinants, de façon à profiter de certaines de ces différences de coûts. Parmi les transporteurs consultés dans le cadre de l'examen annuel, la vaste

La perte de trafic sur le marché transfrontalier a aussi incité certains transporteurs domiciliés en Ontario à s'implanter dans des secteurs autrefois desservis plutôt par des transporteurs locaux.

Marché transfrontalier

Des transporteurs américains ont fait une grande percée sur les principaux marchés transfrontaliers. Certains transporteurs ontariens ont continué à transférer aux États-Unis leurs activités de transport de charges complètes.

Dans le secteur transfrontalier, le degré de concurrence varie beaucoup d'une région à l'autre, selon l'importance des flux transfrontaliers.

En 1989, les plus fortes proportions d'expéditeurs signalant une intensification de la concurrence se trouvent sur les principaux marchés transfrontaliers : Ontario, Québec, Colombie-Britannique et Alberta. Ces quatre régions représentaient en 1989 plus de 94 p. 100 de la valeur totale des importations et des exportations. En Ontario, les deux tiers des expéditeurs sont d'avis que le nombre des transporteurs qui se disputent leur trafic de charges complètes a augmenté en 1989. C'est aussi en Ontario qu'on signale la plus vive concurrence dans le transport de lots brisés (voir graphique 5.8).

En dépit du fait que dans la région de l'Atlantique, il y a eu peu de nouveaux venus sur le marché transfrontalier, la concurrence au niveau des prix s'est avivée surtout vers la fin de 1989, en raison d'une diminution du volume des expéditions de denrées alimentaires.

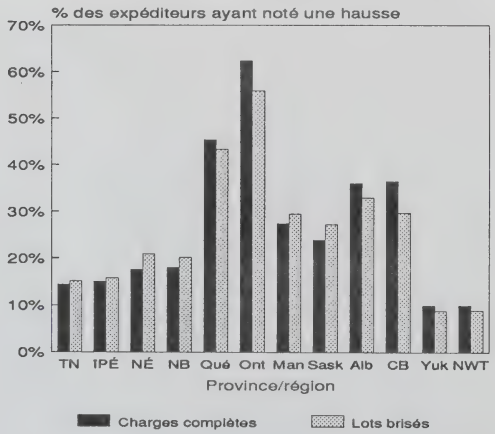
Des transporteurs américains ont pénétré le marché transfrontalier. La majorité des transporteurs du Québec, de l'Ontario, du Manitoba et de la Colombie-Britannique, qui exploitaient des services transfrontaliers et qui ont été consultés dans le cadre de l'examen annuel, ont fait état d'une plus grande concurrence de la part des transporteurs américains (voir graphique 5.9)

L'Ontario, qui génère la plus grande partie des activités transfrontalières de camionnage au Canada, étant à proximité des grands centres américains, a vu émerger beaucoup de nouveaux exploitants américains, dont certains grands transporteurs.

Outre la taille du marché, un certain nombre de facteurs expliquent l'arrivée massive d'entreprises américaines dans le Canada central :

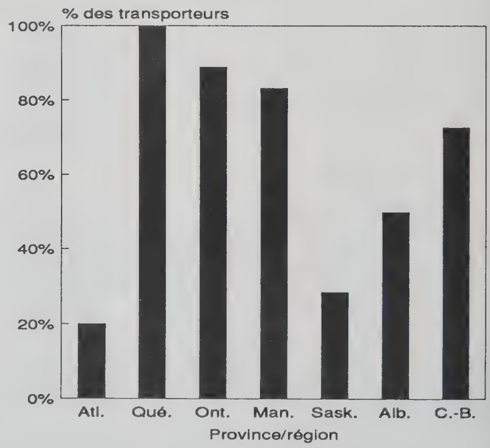
- Les grands transporteurs américains ont une dure lutte à mener sur le marché du transport long courrier à cause des services intermodaux proposés par les compagnies ferroviaires américaines, notamment par les trains

GRAPHIQUE 5.8 : NIVEAU DE CONCURRENCE - SERVICES INTERNATIONAUX



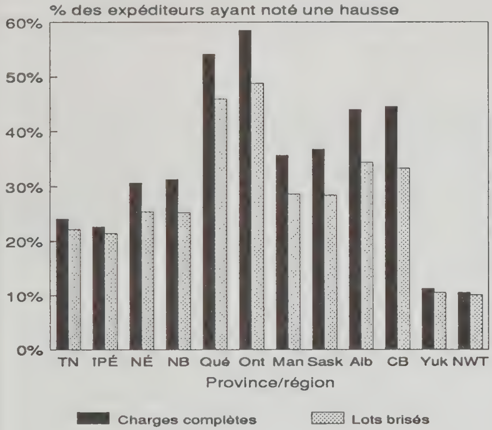
Source : Enquête de l'Office auprès des expéditeurs

GRAPHIQUE 5.9 : TRANSPORTEURS AYANT SIGNALÉ UN ACCROISSEMENT DE LA CONCURRENCE DES TRANSPORTEURS AMÉRICAINS SUR LE MARCHÉ TRANSFRONTALIER



Source : Examen de la situation des transporteurs par l'Office

GRAPHIQUE 5.7 : DEGRÉ DE CONCURRENCE DANS LES SERVICES INTERPROVINCIAUX



Source : Enquête de l'Office auprès des expéditeurs

région de l'Atlantique s'explique à la fois par de nombreuses acquisitions et consolidations et par la faible demande de transport ayant émané de l'industrie du poisson.

Il y a eu au Québec une augmentation soutenue du nombre des transporteurs déjà établis mais domiciliés dans d'autres régions, tant dans le secteur des charges complètes que dans celui des lots brisés, y compris dans les services de messageries et de livraison de petits colis. La reprise complète de l'octroi des permis par les autorités provinciales, en Ontario, au début de 1989, a permis à de nouveaux exploitants de pénétrer le marché et aux transporteurs établis, aussi bien canadiens qu'américains, d'étendre leurs opérations. Dans l'ouest du Canada, la concurrence a été particulièrement vive dans le couloir Calgary-Vancouver.

Les transporteurs ont fait remarquer que les nouveaux exploitants ont été rares dans le secteur des lots brisés et que certaines grandes entreprises avaient mis en œuvre d'importants programmes de rationalisation et de consolidation; l'expansion territoriale des transporteurs régionaux a continué d'assurer une bonne concurrence dans la plupart des régions, concurrence compatible avec les besoins en services des expéditeurs.

Dans les deux secteurs du transport de charges complètes et de lots brisés, les transporteurs régionaux et nationaux, faisant face à une concurrence plus acharnée et à un potentiel de croissance limité sur les marchés intérieurs habituels, se sont attaqués aux marchés moins actifs, plus marginaux. Une source de concurrence accrue sur le marché du transport long-courrier est venue de l'implantation de nouveaux services intermodaux des compagnies ferroviaires, tels que les trains porte-conteneurs à deux niveaux.

Du côté de la demande, cette évolution s'accompagne du recours de plus en plus fréquent par les expéditeurs à une stratégie dite de transporteur de base, selon laquelle une grande partie du trafic de l'expéditeur est confiée à quelques transporteurs seulement, qui ont de vastes réseaux et proposent une gamme complète de services.

CONCURRENCE ENTRE LES CHEMINS DE FER ET LE TRANSPORT ROUTIER

Le point de vue de l'industrie du camionnage

En ce qui a trait aux affirmations des compagnies ferroviaires qui font état d'un déséquilibre de la politique en faveur du camionnage et au détriment du rail, l'industrie du camionnage soutient que :

- **les camionneurs paient leur juste part des coûts de l'infrastructure routière, particulièrement sur les routes principales représentant les marchés où les chemins de fer et le transport routier sont en concurrence;**
- **les problèmes financiers des compagnies ferroviaires ne sont pas attribuables à une concurrence injuste originant du secteur du camionnage, mais aux contraintes réglementaires imposées aux chemins de fer;**
- **les besoins en matière de services et les préférences des expéditeurs expliquent en grande partie que le secteur du camionnage a accru sa part de marché;**
- **les restrictions sur les charges et dimensions des véhicules entraîneraient des inefficacités injustifiées sur le marché, sans que la sécurité soit pour autant mieux assurée;**
- **une politique fiscale générale, plus compatible avec celle des États-Unis, atténuerait les pressions d'ordre financier sur les secteurs du transport ferroviaire et routier au Canada.**

Fait à noter, le nombre de faillites signalées ne donne pas nécessairement une idée juste du nombre de sorties du marché et de l'étendue du phénomène.

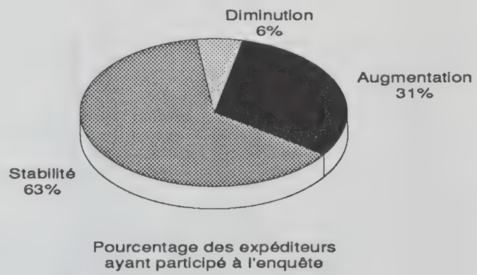
D'autres formes de sorties du marché, qui se prêtent moins à des déclarations officielles, ont aussi une incidence sur le nombre de transporteurs en activité. Il faut noter par exemple les liquidations, les mises sous séquestre et les rajustements opérationnels, comme les déménagements aux États-Unis par exemple.

CONCURRENCE

Les expéditeurs ont continué, en 1989, de profiter d'une forte concurrence.

Près du tiers des expéditeurs des marchés desservis par des transporteurs extra-provinciaux ont fait état d'une augmentation du nombre des entreprises qui se disputent leur clientèle. Par contre, environ 63 p. 100 des expéditeurs estiment que le niveau de concurrence est resté à peu près inchangé ou parfaitement stable, tandis que 6 p. 100 ont constaté une diminution (voir graphique 5.5). En général, la fluctuation de l'offre de services était liée au niveau de l'activité économique et de la demande, au degré de surcapacité, au nombre de nouveaux exploitants qui ont fait leur entrée ainsi qu'à la rationalisation des opérations et aux consolidations.

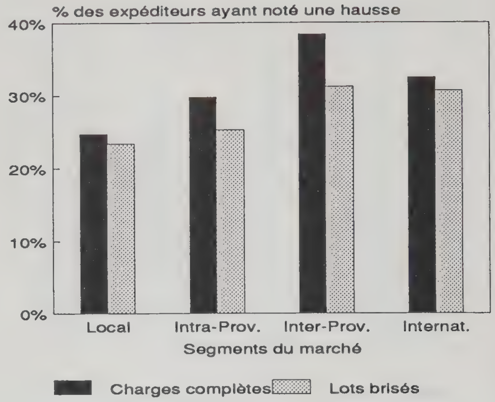
GRAPHIQUE 5.5 : ÉVOLUTION DU NIVEAU DE CONCURRENCE



Tous les services de camionnage à l'exception des services locaux

Source : Enquête de l'Office auprès des expéditeurs

GRAPHIQUE 5.6 : TRANSPORTEURS SE DISPUTANT LA CLIENTÈLE DES EXPÉDITEURS



Source : Enquête de l'Office auprès des expéditeurs

C'est dans les services interprovinciaux de camionnage de charges complètes que la proportion d'expéditeurs ayant noté une augmentation du nombre de concurrents a été la plus importante (38 p. 100), suivie par celle des services internationaux (32 p. 100). Une plus forte proportion d'expéditeurs ont remarqué une intensification de la concurrence dans le secteur des charges complètes plutôt que dans celui des lots brisés (voir graphique 5.6).

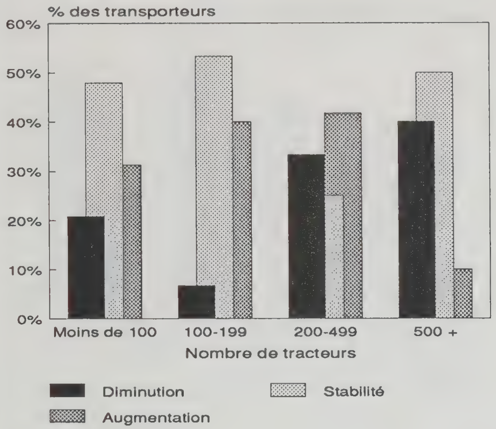
Marché intérieur

Se heurtant à une concurrence de plus en plus vive sur les grands axes, les transporteurs régionaux et nationaux ont pris de l'expansion sur les marchés à plus faible densité.

Sur le plan régional, l'augmentation de la concurrence dans les services de camionnage a été plus forte dans le centre du Canada, où la majorité des expéditeurs, tant en Ontario qu'au Québec, ont signalé un plus grand nombre de transporteurs disponibles (voir graphique 5.7).

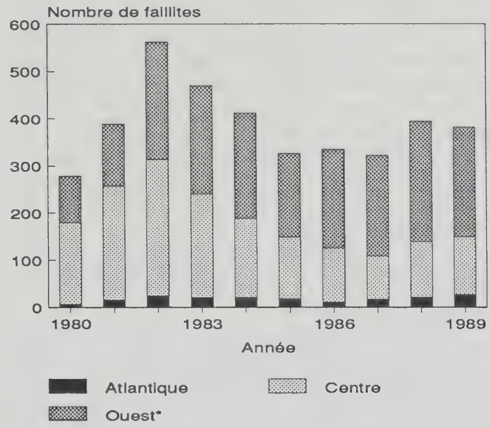
La proportion des expéditeurs qui ont noté une intensification de la concurrence a également été très élevée en Alberta et en Colombie-Britannique (environ 45 p. 100). Au Manitoba et en Saskatchewan, plus du tiers des expéditeurs ont affirmé que les transporteurs étaient plus nombreux à se disputer leur clientèle. La concurrence relativement plus faible observée dans la

GRAPHIQUE 5.2 : UTILISATION DES VOITURIERS-REMORQUEURS PAR LES TRANSPORTEURS PAR GROUPE SELON LA TAILLE - COMPARAISON ENTRE 1989 ET 1988



Source : Examen de la situation des transporteurs par l'Office

GRAPHIQUE 5.3 : NOMBRE DE FAILLITES DÉCLARÉES DANS LE SECTEUR DU CAMIONNAGE DE 1980 À 1989



* Comprend le Yukon et les T.N.-O.

Source : Consommation et Corporations Canada

Sortie du marché

Le nombre de faillites a été légèrement inférieur en 1989.

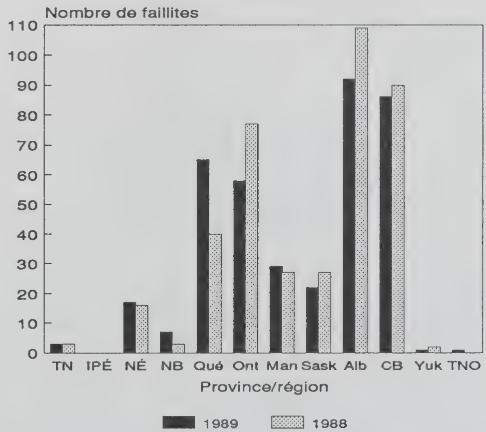
Le nombre et la nature des faillites dans le secteur du camionnage, en 1989, n'ont pas été très différents de ceux des années précédentes. La vaste majorité des faillites ont touché des petites entreprises qui assuraient des services locaux, lesquels services ne faisaient pas partie du cadre de la réforme de la réglementation prescrite par la LTR.

En 1989, 381 entreprises de camionnage ont fait faillite, soit un peu moins que les 394 cas enregistrés au cours de l'année précédente (voir graphique 5.3).

Le passif des entreprises qui ont déposé leur bilan en 1989 totalisait 55,5 millions de dollars contre 37,9 millions de dollars en 1988. La tendance observée au cours des dernières années s'est maintenue : environ 90 p. 100 des entreprises en faillite ont déclaré un passif de moins de 200 000 $. Cinq compagnies avaient un passif supérieur à un million de dollars, la plus importante étant un transporteur ontarien de marchandises générales. Deux de ces entreprises étaient domiciliées au Québec, deux en Ontario et une en Colombie-Britannique. Elles représentaient à elles seules environ le tiers du passif total.

Sur le plan régional, il y a eu une forte diminution du nombre des faillites en Ontario et en Alberta, par rapport à 1988, alors que le Nouveau-Brunswick et le Québec enregistraient des hausses (voir graphique 5.4).

GRAPHIQUE 5.4 : NOMBRE DE FAILLITES DÉCLARÉES DANS LE SECTEUR DU CAMIONNAGE - COMPARAISON ENTRE 1989 ET 1988



Source : Consommation et Corporations Canada

base, c'est-à-dire celui qui, par sa nature, génère initialement la demande de services de camionnage. (Le trafic ontarien acheminé en direction ouest serait considéré comme le trafic de base, tandis que les marchandises transportées au retour seraient généralement considérées comme la charge de retour). Étant donné que l'offre excède assez souvent la demande dans les transports de retour, les taux sont généralement plus bas.

Le nombre de nouveaux exploitants et l'expansion des activités des transporteurs établis ont maintenu à un niveau très élevé l'offre de service en charges de retour, ce dont ont pu bénéficier les expéditeurs.

La nécessité d'équilibrer les charges pour être à même d'offrir des tarifs plus concurrentiels ainsi que la souplesse que confèrent des droits d'exploitation plus étendus, ont amené les transporteurs à adopter une structuration des parcours en triangle, qui suppose une coordination des transports intérieur et transfrontalier. Grâce à cette nouvelle formule, les transporteurs dépendent moins des faibles tarifs exigés pour les charges de retour, car ils s'efforcent d'être autant que possible en position d'acheminer des marchandises considérées comme trafic principal.

Dans le transport transfrontalier par camion, l'assouplissement des normes d'entrée sur le marché a permis une plus grande pénétration du marché par les transporteurs américains de charges complètes, notamment sur les marchés ontarien et québécois. Parallèlement, les transporteurs canadiens ont donné de l'expansion à leurs activités aux États-Unis. Les entreprises canadiennes ont adopté cette stratégie pour réagir à un certain nombre de facteurs, dont :

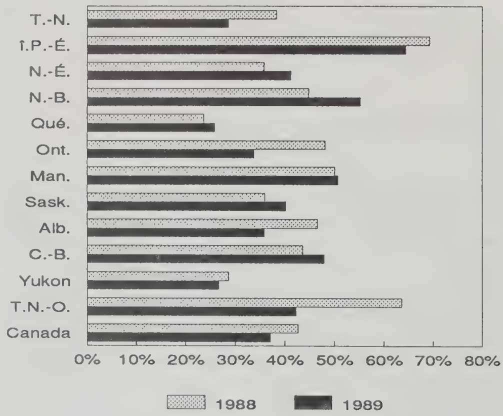
- l'ampleur plus considérable des échanges nord-sud découlant de l'Accord de libre-échange entre le Canada et les États-Unis;
- la perspective continentale adoptée par quelques grandes compagnies de camionnage canadiennes;
- la nécessité d'équilibrer les flux dans les trajets transfrontaliers;
- les différences dans les coûts, notamment en matière de fiscalité.

Voituriers-remorqueurs

Le niveau d'utilisation des voituriers-remorqueurs semble avoir plafonné.

La tendance vers une plus grande utilisation des services de voituriers-remorqueurs, laquelle est apparue ces dix dernières années, semble se stabiliser. Au cours d'une période s'étalant sur six mois en 1989, les voituriers-remorqueurs ont effectué 37 p. 100 des distances totales parcourues, tant par les chauffeurs salariés que par les voituriers-remorqueurs, alors que ce pourcentage était de 43 p. 100 pour la période correspondante antérieure. Sur le plan régional, les baisses les plus marquées se sont produites chez les transporteurs ontariens et albertains (voir graphique 5.1). Certaines des modifications relatives à la ventilation s'expliquent toutefois par le changement de province de domicile de certains transporteurs au moment de fusions ou d'acquisitions.

GRAPHIQUE 5.1 : DISTANCE TOTALE PARCOURUE PART DES VOITURIERS-REMORQUEURS COMPARAISON ENTRE 1988* ET 1989*



* Avril - septembre

Source : Statistique Canada

Près du quart des transporteurs consultés dans le cadre de l'examen annuel ont mentionné qu'ils faisaient moins appel aux services de voituriers-remorqueurs qu'en 1988. Chez les grandes entreprises ayant un parc de plus de 500 tracteurs, un seul des dix transporteurs consultés a déclaré une augmentation du recours aux voituriers-remorqueurs tandis que quatre affirmaient le contraire (voir graphique 5.2). Les transporteurs ont souligné, comme cause de cette évolution, la nécessité d'une plus grande souplesse dans l'utilisation de l'équipement, l'établissement des programmes et les initiatives de relèvement de la productivité. Dans d'autres cas, le recours moindre aux voituriers-remorqueurs s'explique par le programme de rationalisation du transporteur.

l'intérêt public, comme les permis temporaires, les services de sous-traitance, les voituriers-remorqueurs. En Ontario, une forte proportion des demandes présentées en 1988 n'ont pas été étudiées avant 1989, car il a fallu attendre l'issue d'un litige et l'adoption d'une nouvelle loi provinciale.

Parmi les transporteurs consultés dans le cadre du deuxième examen annuel, 16 p. 100 de moins qu'en 1988 ont dit avoir demandé des droits d'exploitation en 1989. Les transporteurs qui ont un marché étendu (c'est-à-dire ceux qui exploitent à la fois des services intra-provinciaux, extra-provinciaux et internationaux) sont ceux-là mêmes qui ont présenté le plus grand nombre de demandes de permis. Le nombre de requêtes provenant de transporteurs domiciliés aux États-Unis a plus que doublé en 1989, atteignant 1 819, alors qu'il n'était que de 800 un an plus tôt.

Bien que de nouveaux transporteurs aient continué de pénétrer l'industrie, dans les marchés de camionnage régionaux, tant intérieurs qu'internationaux, les transporteurs consultés soutiennent que la concurrence est d'abord et avant tout attribuable à l'expansion territoriale et à la diversification des services offerts par les transporteurs établis.

Sur le marché du transport de lots brisés, il y a eu peu de nouveaux exploitants à l'échelle régionale ou nationale. Toutefois, les principaux transporteurs qui assurent ces services ont cherché à rationaliser leurs opérations pour obtenir de meilleures économies d'échelle et améliorer leur efficacité. Des compagnies comme Cabano Expéditex, Federal Industries Transport Group et Glengarry Transport ont pris des mesures pour réduire leurs frais généraux et la surcapacité des opérations de leurs terminaux, éliminer les installations en double (résultat des fusions) et consolider les unités de l'entreprise.

Quant au marché des charges complètes, une vaste gamme de transporteurs, dans presque toutes les régions, ont cherché à prendre de l'expansion au moyen d'acquisitions et de fusions ainsi que par des droits d'exploitation plus étendus. Si les transporteurs ont pris ces initiatives, c'est parce qu'ils cherchaient, d'une part, un meilleur équilibre de leurs charges en s'implantant dans un marché plus vaste et, d'autre part, à élargir leur part de marché.

Ces stratégies ont donné lieu à la formation de plus grandes entreprises de camionnage et à la disparition de certains transporteurs. Les expéditeurs qui utilisent les services de lots brisés ou de charges complètes n'ont signalé aucune détérioration notable du service sur les marchés extra-provincial ou international. Moins de 5 p. 100 des expéditeurs ont exprimé l'avis que l'assouplissement des règlements relatifs à l'entrée sur le marché avait eu des répercussions négatives sur l'offre, le niveau et la qualité de service en 1989. Les réseaux plus larges et plus complets, constitués à la faveur des consolidations et des autres initiatives des transporteurs, ont permis aux expéditeurs d'atteindre une plus grande efficacité sur les plans logistique et administratif. Néanmoins, quelques expéditeurs ont évoqué le risque à long terme d'une diminution de la concurrence, si la tendance vers les consolidations s'accentuait davantage.

Du point de vue des transporteurs, le rythme soutenu des fusions et des acquisitions dans l'ensemble du secteur s'est traduit par la consolidation de certains services de transport, sans pour autant avoir fait diminuer de façon appréciable, semble-t-il, le niveau d'activité. Pourtant, un ralentissement général de l'économie, allié à des taux d'intérêt élevés et à la surcapacité des services de camionnage, a entraîné une baisse de la demande de nouvel équipement. Après avoir connu une progression de 10 p. 100 l'année précédente, les ventes canadiennes de nouveaux véhicules de classe 8 ont fléchi de 5 p. 100 en 1989, suivant en cela une tendance observée aux États-Unis.

Les changements structurels observés résultent de la surcapacité et de l'inefficacité de l'organisation. On a généralement l'impression dans le secteur du camionnage que la tendance au fusionnement se poursuivra au cours des années à venir, mais la plupart des segments du marché des charges complètes sont jugés trop diversifiés et trop concurrentiels pour qu'un transporteur quelconque exerce un contrôle sur les conditions d'exploitation. Dans le secteur du transport de lots brisés, toutes conséquences qu'aurait pu entraîner une plus grande concentration des principaux transporteurs ont été empêchées par des droits d'exploitation plus étendus obtenus par les transporteurs en place.

Changements structurels

Une pénétration plus importante des marchés intérieur et transfrontalier a permis aux transporteurs de mieux équilibrer leur trafic.

Les stratégies adoptées par les transporteurs pour s'adapter à un marché où la concurrence est plus acharnée ont entraîné des changements dans les parcours et touché la structure tarifaire.

Les structures tarifaires, dans le secteur du camionnage, ont toujours été fondées sur le trafic de

STRUCTURE DE L'INDUSTRIE

L'évolution de la structure de l'industrie du camionnage a eu une incidence favorable sur les expéditeurs.

L'évolution qui a transformé la structure du secteur du camionnage au Canada en 1989 a suivi les tendances qui ont précédé la réforme de la réglementation. Parmi ces tendances figurent :

- l'expansion du territoire et du marché;
- l'entrée de nouvelles entreprises sur le marché;
- les fusions et les acquisitions;
- les regroupements de compagnies;
- la rationalisation;
- les retraits du marché;
- les parcours en triangle.

Les transporteurs établis ont poursuivi l'expansion de leur marché en acquérant des droits d'exploitation plus étendus, tant au Canada qu'aux États-Unis.

Entrée sur le marché

L'expansion du marché, les consolidations et l'arrivée de nouveaux exploitants ont continué de modifier la structure de l'industrie.

Le nombre de demandes de droits d'exploitation indique un rythme soutenu dans l'arrivée de nouveaux exploitants sur le marché. Plus de 30 p. 100 des demandes d'autorisation d'exploitation extra-provinciale ont été présentées par des transporteurs canadiens domiciliés dans une province ou un territoire autre que la région visée par le permis demandé; ceci démontre que les transporteurs déjà établis ont pu étendre la portée de leurs opérations (voir tableau 5.1).

Bien que le nombre total de demandes ait diminué d'environ 10 p. 100 de 1988 à 1989, il faut tenir compte, en examinant le phénomène d'entrée sur le marché, des circonstances particulières et des exigences en matière de déclaration de chaque province ou territoire.

Le nombre de demandes a été relativement plus élevé au Québec, ce qui est attribuable en partie au programme de renouvellement des permis mis en œuvre de janvier 1988 à juin 1989; en outre, environ la moitié des demandes portent sur des droits d'exploitation qui ne sont pas soumis au critère de

TABLEAU 5.1
Ventilation des demandes selon le domicile du transporteur - 1989

Domicile du transporteur	T.-N.	Î.P.-É.	N.-É	N.-B.	Qué.	Ont.	Man.	Sask.	Alb.	C.-B.	Yuk.	T.N.-O.	TOTAL
Résidant	23	14	72	107	3 548	1 936	131	226	267	430	14	n.d.	**6 768**
Autre (Canada)	95	109	184	294	1,514	500	202	333	335	386	49	n.d.	**4 001**
É.-U.	9	8	21	52	879	418	59	73	147	149	4	n.d.	**1 819**
TOTAL	**127**	**131**	**277**	**453**	**5 941**	**2 854**	**392**	**632**	**749**	**965**	**67**	**n.d.**	**12 588**

Notes : **Québec**: Les chiffres reflètent les permis émis au cours de 1989 et ne correspondent pas nécessairement aux demandes reçues au cours de la période; ils comprennent les permis temporaires, les permis accordés à des transporteurs en sous-traitance et les autres catégories non assujetties au critère d'intérêt public. Les transporteurs détenant des permis émis avant janvier 1988 devaient renouveler leur permis avant juin 1989.

Ontario: Les chiffres comprennent les données pour la période débutant le 30 janvier 1989; pour les demandes relatives à un ou plusieurs permis, un seul permis a été émis, ce dernier comprenant les autorisations obtenues antérieurement.

n.d. : non disponsible

Source : Information fournie par les autorités provinciales et territoriales émettant les permis.

Parmi les 487 demandes ayant fait l'objet d'une opposition en 1989, plus de la moitié des cas ont été réglés soit par une modification de la demande ou par le retrait de l'opposition. La tenue d'audiences publiques a été ordonnée dans 127 cas, la plupart au Manitoba.

Exception faite des délais de traitement enregistrés au Manitoba, le processus d'entrée sur le marché a posé beaucoup moins de difficultés en 1989, du point de vue de l'industrie. Les transporteurs et les expéditeurs se préoccupent des dispositions de la législation en matière de sécurité, non seulement par souci d'exploitation de services sécuritaires, mais aussi à cause de leurs incidences d'ordre économique et opérationnel.

Évolution de la réglementation

En juin 1989, le ministre des Transports a publié un énoncé de politique sur l'orientation à suivre dans l'application du critère d'intérêt public comportant le renversement du fardeau de la preuve. Pour l'essentiel, la politique confirme les lignes directrices proposées par les organismes de réglementation des provinces et des territoires. En effet, un examen des dossiers sur les décisions montre bien que les provinces et les territoires ont généralement respecté les principes fondamentaux de la politique.

Cependant, pour ce qui est de la question de l'effet cumulatif, certaines provinces et territoires ont adopté des positions différentes. L'effet cumulatif se rapporte à la fois à l'évaluation de l'impact de l'exploitation proposée et aux considérations portant sur l'effet de l'octroi de droits semblables à celui qui est demandé. La Cour d'appel du Manitoba, se prononçant sur un appel interjeté au sujet d'une demande rejetée (Lindsay and Smith), a conclu que la prise en considération de l'effet cumulatif, dans le contexte d'un critère d'intérêt public avec inversion du fardeau de la preuve allait à l'encontre des dispositions de la Loi.

Un autre cas, au Nouveau-Brunswick cette fois, a eu également une incidence sur la réglementation. Saisie d'une demande de droits d'exploitation plus étendus présentée par Sunbury Ltd., transporteur affilié au groupe Irving, la Commission des transports routiers du Nouveau-Brunswick a statué que, lorsqu'un transporteur est dans une position telle qu'il peut empêcher d'autres entreprises d'entrer sur le marché en recourant à des méthodes qui faussent le jeu des forces du marché, les usagers des services de transport sont ultimement lésés.

Ces facteurs ont été pris en considération dans l'étude de la demande de Sunbury à cause des témoignages présentés par les répondants en vertu de la disposition de la LTR qui inverse le fardeau de la preuve. Le rejet de la demande par la Commission a été porté en appel. Nonobstant l'issue de cet appel, il faut se demander, du point de vue de la réglementation, de quelle façon on pourra protéger les intérêts des usagers en des circonstances analogues, une fois que sera disparue, comme la Loi le prévoit, la disposition inversant le fardeau de la preuve. Il n'est toutefois pas possible de considérer cette question sans tenir compte des autres mesures législatives qui assurent le maintien de la concurrence (par ex., la *Loi sur la concurrence*).

ÉNONCÉ DE POLITIQUE DE LA LTR SUR LA QUESTION DU CRITÈRE D'INTÉRÊT PUBLIC

La politique relative à l'application du critère d'intérêt public, comportant le renversement du fardeau de la preuve, souligne que ni la nationalité, ni le domicile du demandeur ou ni le niveau de service existant n'entrent en ligne de compte lorsqu'il faut établir si l'exploitation des services proposés est susceptible de nuire à l'intérêt public. On met davantage l'accent sur les intérêts des usagers des services de transport, en tenant compte des effets des services proposés sur :

- **l'accès aux services de transport;**
- **la diversité des prix et des services de camionnage;**
- **la productivité et l'efficacité des usagers;**
- **le coût des transports;**
- **le niveau de concurrence, de concentration du marché, ainsi que la possibilité d'abus de la puissance commerciale;**
- **la discrimination en matière de prix ou de service;**
- **la stabilité de l'industrie du transport et de son infrastructure;**
- **les répercussions sur l'emploi et la productivité;**
- **le commerce international et interprovincial.**

RÉFORME DE LA RÉGLEMENTATION

La *Loi de 1987 sur les transports routiers* (LTR) a défini un nouvel encadrement national pour la réglementation des activités extra-provinciales de camionnage. Depuis le 1er janvier 1988, les transporteurs dont les activités s'étendent au-delà des limites d'une province ou d'un territoire, entre des provinces, par exemple, ou entre le Canada et les États-Unis, sont régis par cette Loi, qui prescrit :

- un assouplissement des règlements relatifs à l'entrée sur le marché;
- l'abolition des contrôles tarifaires;
- l'application d'une réglementation nationale uniforme de l'entrée sur le marché par les provinces sous délégation fédérale;
- une réglementation plus efficace de la sécurité des services de camionnage de ressort fédéral.

La nouvelle loi remplace le critère de « commodité et nécessité publiques » par un critère « d'aptitude » et un critère d'intérêt public transférant le fardeau de la preuve du requérant à l'opposant en ce qui a trait à l'octroi d'un permis.

Le 1er janvier 1993, le critère d'intérêt public devrait disparaître, ce qui signifie que le seul critère régissant l'octroi de permis d'exploitation aux entreprises de services extra-provinciaux sera celui de « l'aptitude », et les permis existants ne seront plus assujettis à des contraintes relatives au type de service ou à la zone desservie. Avant que ne soit abolie la disposition inversant le fardeau de la preuve, le ministre des Transports doit examiner la situation afin de déterminer s'il y a lieu de prolonger la période de transition.

La réglementation en 1989

En 1989, la LTR a été appliquée avec une plus grande uniformité dans toutes les provinces et dans les territoires.

En 1988, on relevait des divergences dans l'interprétation de la LTR, entre les divers territoires et provinces, ainsi que des différences de procédure, de sorte que le processus d'octroi des permis était inégal. La deuxième année de réforme de la réglementation, soit 1989, a été caractérisée par une plus grande uniformité dans l'application de la nouvelle loi partout au Canada. Les différences de procédure, d'une province à l'autre, ont été atténuées grâce à l'adoption d'un formulaire de demande uniforme et d'un guide complet à l'intention des demandeurs.

En Ontario, un litige en matière de compétence a occasionné, en 1988, des retards dans le traitement des dossiers et a créé un climat d'incertitude chez les transporteurs; le problème a été en grande partie réglé en 1989. Le Manitoba, s'efforçant d'abréger les longs délais dans l'étude des demandes, a adopté une procédure sommaire pour remplacer les audiences publiques.

L'assouplissement des règlements relatifs à l'entrée sur le marché s'est fait sentir dans le traitement des demandes (voir l'encadré). Selon les renseignements fournis par les provinces et les territoires, plus de 10 000 permis ont été accordés en 1989, ce qui représente presque 97 p. 100 des demandes étudiées. Parmi les 75 demandes qui ont été rejetées, 70 visaient des autorisations temporaires régies par des critères administratifs au Québec et elles n'étaient pas assujetties au critère de l'intérêt public.

Traitement des demandes - 1989

Demandes acceptées sans opposition	9 937
Demandes acceptées avec opposition	185
Demandes acceptées en partie	213
Demandes retirées	128
Demandes rejetées	75
Demandes en instance	1 540

En 1989, 487 demandes ont suscité des objections aux termes des dispositions de la Loi inversant le fardeau de la preuve, contre 990 l'année précédente (voir l'encadré). Cette diminution est conforme à l'évolution de la réforme de la réglementation, en phase de maturité. Au cours de la première année, une partie de l'opposition avait pour objet de vérifier la portée de la Loi et l'orientation des organismes de réglementation.

Demandes ayant fait l'objet d'une opposition - 1989

Colombie-Britannique	156
Manitoba	110
Nouveau-Brunswick	106
Ontario	65
Saskatchewan	31
Autres	19
Total	487

LES SERVICES DE CAMIONNAGE

FAITS SAILLANTS DE 1989

Réforme de la réglementation

En 1989, le processus d'entrée sur le marché a été plus uniforme entre les provinces et les territoires. Cependant, les transporteurs ont exprimé leurs inquiétudes devant l'application inégale des dispositions législatives en matière de sécurité.

Structure et opérations

Les transporteurs ont étendu leur emprise sur le marché dans toutes les régions et ce, au moyen de fusions, d'acquisitions et de droits d'exploitation plus vastes. La rationalisation et la consolidation de leurs activités leur ont par ailleurs permis d'accroître leur productivité. Les expéditeurs ont bénéficié de cette expansion des services, et d'une plus grande efficacité logistique et administrative.

Concurrence et tarifs

Les expéditeurs ont continué de profiter de la concurrence qui s'exerce sur les marchés intérieur et transfrontalier. Les tarifs, quoique plus stables, ont été soumis aux fortes pressions de la concurrence. La vive concurrence exercée par les firmes américaines de camionnage au niveau des prix a en effet entraîné un effritement de la part du marché des transporteurs canadiens sur les principaux marchés transfrontaliers.

Performance financière

Dans l'ensemble, la performance financière de l'industrie s'est légèrement améliorée en 1989, bien que les marges bénéficiaires soient restées minces.

« Tous les intervenants consultés ont cherché à savoir quand et comment des crédits seront consentis pour mettre en œuvre les dispositions de la LTN destinées à venir en aide aux groupes directement touchés et quels en seront les montants. L'octroi de ces crédits de transition a été qualifié d'urgent et de vital. »

La législation tient compte des difficultés que les abandons de lignes peuvent occasionner aux expéditeurs. Les principales dispositions à cet égard sont celles de l'article 175 relatives au financement transitoire. Ce financement devait permettre aux expéditeurs touchés par l'abandon d'une ligne de surmonter cet obstacle en optant pour un autre mode de transport, et ce fut un élément clé lors des consultations publiques qui ont mené à l'adoption de la Loi. Si l'exploitation d'une ligne doit être maintenue pour des raisons d'intérêt public, le gouvernement doit alors subventionner le déficit d'exploitation de cette ligne pour une période donnée. Lorsqu'un embranchement doit, selon un arrêté, être maintenu en exploitation pour des raisons d'intérêt public, le gouvernement doit subventionner les pertes totales d'exploitation de cette ligne pour une période donnée. Les économies réalisées par le gouvernement, dégagé de l'obligation de subventionner l'exploitation des embranchements abandonnés, devaient être la source de ce financement transitoire.

Cet article de la Loi est appliqué par Transports Canada. Les provinces, les expéditeurs et les compagnies ferroviaires sont vivement préoccupés par le fait que ces dispositions ne sont pas appliquées comme il était prévu au moment des consultations. En fait, leur application a été si restrictive qu'une seule approbation a été donnée jusqu'à maintenant.

CP Rail a réitéré cette position dans son mémoire de 1989 :

« Il importe de signaler que, après deux années complètes, on n'a pas encore eu recours aux dispositions de la Loi sur le financement de transition. Comme elles permettraient de faciliter le passage à de nouveaux moyens de transport, il faut mettre en place un dispositif d'application efficace. Cette aide de transition peut faciliter l'adoption de services moins coûteux et réduire les paiements de subventions pour les lignes ferroviaires. »

La question reste sans solution et l'Office la considère des plus préoccupantes car elle empêche une rationalisation à l'amiable du réseau ferroviaire.

> **ALGOMA CENTRAL RAILWAY**
>
> **L'Algoma Central Railway exerce des activités de transport dans le nord-est de l'Ontario en tant que transporteur de catégorie II. Outre ses opérations ferroviaires, elle comporte des divisions de l'immobilier et du transport maritime. Depuis 1988, l'Algoma Central a, à deux reprises, demandé à l'Office d'approuver la cession de sa division ferroviaire à une filiale en propriété exclusive, en vertu de l'article 158 de la LTN 1987; dans les deux cas, l'Office n'a pas approuvé la demande de cession.**
>
> **L'Office a conclu que ce transfert allait à l'encontre de l'intérêt public, étant donné la vulnérabilité financière à long terme des activités ferroviaires, l'éventuelle chute de la demande de services de transport de marchandises de son principal client, l'incapacité de la compagnie à financer l'achat de nouveau matériel voyageur et la cessation d'une importante subvention du gouvernement fédéral. Selon l'Office, une aide extérieure quelconque sera nécessaire pour assurer le maintien des services ferroviaires de l'Algoma Central Railway.**

Comme on peut le constater à l'annexe C, 14 préavis d'abandon de lignes ont été donnés en 1989. De ce nombre, neuf ont été suivis au cours de l'année d'une demande officielle d'abandon. En outre, six demandes se rattachant à des préavis déposés en 1988 ont été présentées. L'Office, tel qu'indiqué à l'annexe D, a reçu 15 nouvelles demandes d'abandon de lignes en 1989.

En tout, l'Office était saisi en 1989 de 70 dossiers d'abandon de lignes dans lesquels il devait rendre une décision au cours de l'année ou au début de 1990. Cela comprenait plusieurs demandes de révision d'arrêtés antérieurs, de nouvelles demandes et de nouveaux préavis déposés en 1989, des demandes reportées d'années antérieures ainsi que des demandes de réexamen. Quarante-deux dossiers concernaient des lignes du CN, 27 autres, des voies de CP Rail et un, l'abandon des tronçons de CSXT. L'annexe E fournit de plus amples détails sur les 70 abandons de lignes demandés et attire l'attention sur les différents tronçons visés, ce qui importe grandement, car l'Office peut regrouper ou subdiviser les demandes d'abandon de manière à garantir que tout abandon de permis ait lieu de façon à assurer une amélioration rationnelle de l'efficacité du réseau.

L'Office a rendu en 1989 des décisions sur tous les cas sauf deux, qui avaient été reportés de 1988. Dans ces deux derniers cas, il a été nécessaire de tenir d'importantes audiences publiques; les décisions ont été rendues au début de 1990. L'Office a pris 39 arrêtés, comme l'indique l'annexe F, par lesquels il a rendu des décisions sur 47 des 70 cas énumérés à l'annexe E. Quant aux 23 dossiers actifs qui restent, onze constituent des réexamens qui doivent être terminés en 1990, deux, comme on vient de le dire, ont fait l'objet d'une décision au début de 1990, neuf concernent des demandes reportées en 1990 parce que les compagnies avaient donné le préavis à la fin de 1989 et un cas a été repoussé à 1990 pour que l'Office obtienne de meilleures informations sur l'interdépendance possible entre les lignes en cause et les autres lignes de la même région qui devaient faire l'objet d'un réexamen en 1990. L'annexe F rapporte également deux décisions de l'Office et un décret du Conseil privé pris en 1988 et entré en vigueur en 1989.

L'Office a consulté 15 compagnies ferroviaires afin de s'enquérir de leurs projets d'abandon de lignes en 1990. Comme le montre l'annexe G, CSXT, le CN et CP Rail sont les seules qui aient présenté des plans, les autres compagnies ayant déclaré qu'elles ne prévoyaient abandonner aucune ligne en 1990. CSXT prévoit demander l'abandon de deux tronçons totalisant 13 milles; le CN devrait présenter 22 demandes portant sur 400 milles de voies et CP Rail, 26 demandes touchant 650 milles.

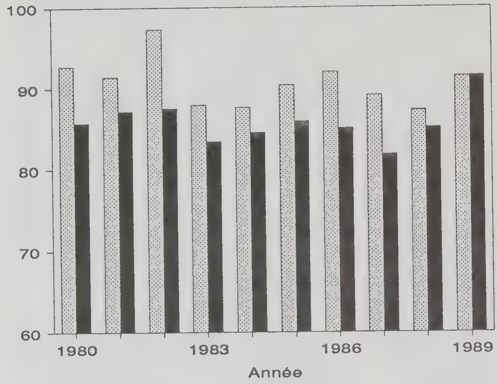
Financement prévu par l'article 175

Étant donné l'interprétation restrictive de l'article 175 de la LTN 1987, une seule approbation de financement a été accordée jusqu'ici.

Le fondement même de la nouvelle législation consistait à compter sur un accroissement de la concurrence pour assurer des services de transport rentables et efficaces. Dans le domaine ferroviaire, on a pris conscience que les chemins de fer, face aux exigences de la concurrence, auraient besoin de plus de latitude dans la gestion de leurs coûts. Dans cette optique, une procédure simplifiée a été mise en place pour l'abandon d'embranchements.

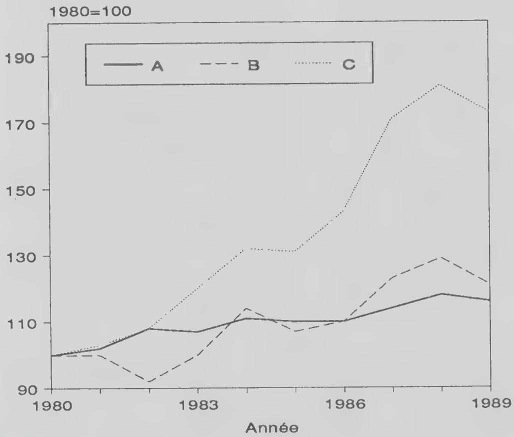
Dans l'Examen annuel de 1988, qui rendait compte des consultations menées par l'Office auprès des provinces, des expéditeurs, des transporteurs et d'autres parties intéressées, on lisait ce qui suit :

GRAPHIQUE 4.16 : COEFFICIENTS D'EXPLOITATION DU CN ET DE CP RAIL



Source : Rapports annuels des compagnies ferroviaires soumis à l'Office; données préliminaires de 1989

GRAPHIQUE 4.17 : INDICES DE PRODUCTIVITÉ DES COMPAGNIES FERROVIAIRES



Légende : A - recettes - tonnes payantes par wagons complets
B - recettes - tonnes-kilomètres payantes par kilomètre de route
C - recettes - tonnes-kilomètres payantes par employé

Source : Rapports annuels des compagnies ferroviaires soumis à l'Office; données préliminaires de 1989

RATIONALISATION DES RÉSEAUX

Abandons de lignes

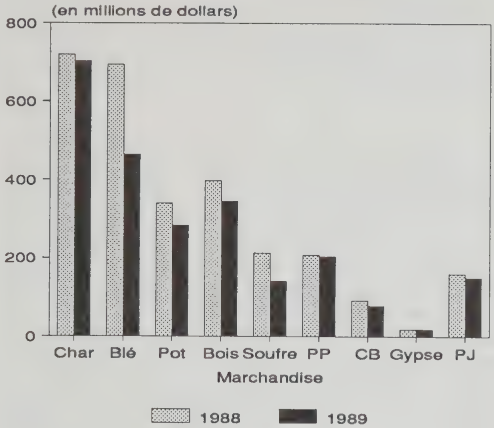
Le CN et CP Rail entendent présenter en 1990 de nouvelles demandes d'abandon de lignes portant sur environ 1 050 milles.

La LTN 1987 oblige l'Office à faire rapport dans son examen annuel sur les projets d'abandon de lignes étudiés au cours de l'année écoulée et sur ceux que les compagnies ferroviaires entendent présenter pendant l'année en cours. Les activités de l'Office relatives au programme de rationalisation du réseau se classent en trois grandes catégories : nouvelles demandes d'abandon de lignes (ou demandes de réexamen), demandes de révision et demandes de cession. Avant que l'Office n'étudie une nouvelle demande d'abandon de ligne, la compagnie ferroviaire doit déposer un préavis et attendre au moins 90 jours avant de déposer la demande proprement dite. Dans le cas de demandes antérieures pour lesquelles l'Office a ordonné le maintien de l'exploitation, ces demandes doivent être réétudiées tous les trois ans après réception d'une demande à cet effet. Il arrive aussi que l'Office reçoive des demandes des parties intéressées qui réclament le réexamen ou la modification d'un arrêté déjà rendu par l'Office. Ces requêtes prennent la forme d'une demande de révision. Enfin, pour faire approuver la cession d'une ligne à une autre partie intéressée, la compagnie ferroviaire qui en est propriétaire doit déposer une demande de cession. Un dossier important en ce qui a trait aux demandes de cession au cours de 1989 a été celui de l'Algoma Central Railway.

La Loi limite à 4 p. 100 du réseau de la compagnie, le millage de voies que celle-ci peut être autorisée à abandonner chaque année. En 1989, l'Office a permis au CN d'abandonner 4 p. 100 de son réseau et à CP Rail, 3,5 p. 100. CP Rail avait soumis à l'Office des demandes correspondant au maximum permis pour l'année, mais, pour les raisons suivantes, il n'a pas été autorisé à abandonner toutes les lignes prévues : l'abandon de sa ligne de la subdivision de Carleton Place, équivalent à 0,1 p. 100 de son réseau a été repoussé de la fin de 1989 à la mi-janvier 1990 de façon à coïncider avec la suppression du service voyageurs de VIA Rail sur cette ligne; dans deux autres cas, totalisant 0,4 p. 100, la date réelle d'abandon a été fixée à 1990 pour que les expéditeurs aient le temps de trouver d'autres moyens de transport.

Un aperçu de ces activités est proposé dans la présente section et les données détaillées se trouvent en annexe (voir annexes C à G).

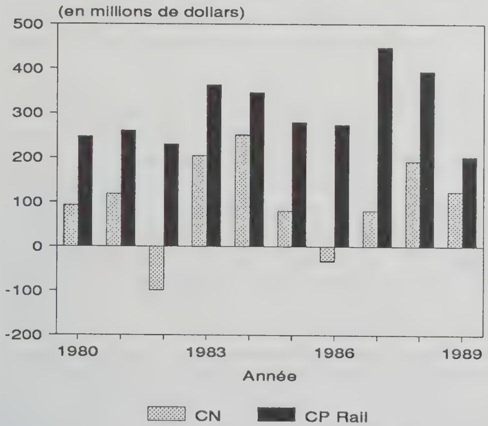
GRAPHIQUE 4.14 : RECETTES DU CN ET DE CP RAIL TIRÉES DU TRANSPORT DE CERTAINES MARCHANDISES



Note : Char. = charbon; Pot. = potasse; Bois = bois d'œuvre; PP = pâte à papier; CB = copeaux de bois; PJ = papier journal

Source : Bandes magnétiques fournies par les compagnies ferroviaires

GRAPHIQUE 4.15 : BÉNÉFICES NETS DU CN ET DE CP RAIL



Source : Rapports annuels des compagnies ferroviaires soumis à l'Office; données préliminaires de 1989

Le fait que la structure de coûts du CN soit plus élevée que celle de CP Rail a aussi une incidence sur le coefficient d'exploitation, c'est-à-dire le rapport entre les dépenses et les recettes d'exploitation. Comme le graphique 4.16 permet de le constater, les coefficients d'exploitation des deux compagnies ont augmenté en 1989. Comme les frais fixes pèsent lourd dans les dépenses des chemins de fer, l'importante diminution des recettes attribuable à la baisse du trafic survenue en 1989 n'a pu s'accompagner d'une compression comparable des coûts d'exploitation.

Les compagnies se sont efforcées d'améliorer leur efficacité pour atténuer les fluctuations des bénéfices nets qu'entraînent les diminutions du trafic et pour affronter une concurrence accrue. Cette recherche d'efficacité a porté sur plusieurs éléments : type d'équipement utilisé, entretien de l'emprise et du matériel roulant, exploitation des trains et rajustement des effectifs. Le graphique 4.17 illustre comment, selon différents indices, la productivité générale des compagnies a progressé depuis 1980. Le CN et CP Rail ont déclaré avoir poursuivi en 1989 leurs efforts d'amélioration de la productivité. Ainsi, CP Rail a pris en 1989 les initiatives suivantes pour améliorer le service et réduire les coûts : investissements de 29 millions de dollars dans les installations de transport intermodal Vaughan, location à long terme de wagons intermodaux et de wagons-trémies couverts et construction de nouvelles installations de transbordement du bois d'œuvre et des concentrés de minerai. Les efforts du CN ont porté notamment sur les projets suivants : perfectionnement et mise à l'essai d'un système d'automatisation de la marche des trains, négociation de règlements salariaux non inflationnistes avec les travailleurs syndiqués (CP Rail a fait de même), mécanisation importante de la fonction d'entretien des voies, ce qui a permis de ramener de 3 400 à 2 000 le nombre d'employés affectés à ces travaux, et acquisition de wagons spéciaux pour le transport du bois à pâte, des véhicules automobiles et des conteneurs et remorques des transports intermodaux.

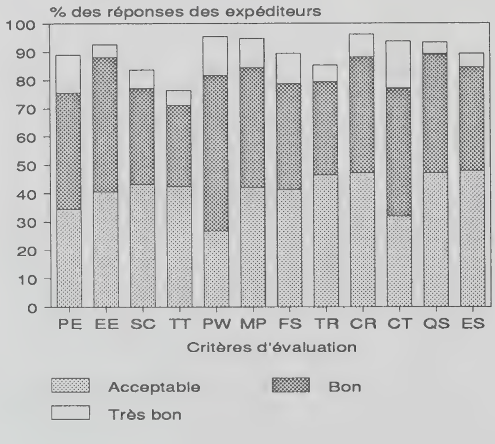
SERVICE

Les expéditeurs sont généralement satisfaits des services reçus en 1989.

Les expéditeurs ont évalué la qualité des services ferroviaires à partir de douze critères. Leurs réponses, illustrées par le graphique 4.13, montrent qu'ils sont généralement satisfaits des services reçus en 1989. Pour six de ces critères, on dépasse le cap des 90 p. 100, quatre se situent entre 85 et 90 p. 100, un entre 80 et 85 p. 100 et le dernier, entre 75 et 80 p. 100. Dans ce dernier cas, il s'agit du temps de transit, et une analyse plus approfondie des réponses montre que la majorité de ces répondants accusaient des dépenses de transport inférieures à 10 millions de dollars par an et confiaient moins de la moitié de leur trafic de marchandises aux chemins de fer.

Les expéditeurs ont aussi été invités à comparer la qualité générale du service en 1989 à celle ayant prévalu en 1988. Selon 26 p. 100 des répondants, il y aurait eu amélioration, 54 p. 100 d'entre eux croient qu'elle est restée stable et 20 p. 100, qu'il y a eu une détérioration qu'ils ont qualifiée de mineure. Une

GRAPHIQUE 4.13 : CRITÈRES D'ÉVALUATION DES SERVICES FERROVIAIRES -RÉACTIONS DES EXPÉDITEURS



Légende : PE = provision d'équipement; EE = état de l'équipement; SC = service d'interconnexion; TT = temps de transit; PW = suivi des wagons; MP = manutention des produits; FS = fiabilité du service; TR = traitement des réclamations; CR = couverture-responsabilité; CT = coopération du transporteur; QS = qualité générale du service; ES = efficacité générale du service

Source : Enquête de l'Office auprès des expéditeurs

analyse plus approfondie des expéditeurs ayant rapporté une détérioration des services, permet de constater que la majorité de ceux-ci dépensaient moins de 10 millions de dollars pour le transport et faisaient appel aux chemins de fer pour moins de 50 p. 100 de leurs expéditions. Bien que ces répondants signalent une certaine baisse du niveau de service, très peu ont fait des commentaires à cet effet. Les dossiers de l'Office sont éloquents à cet égard puisqu'il n'y a eu en 1989, aucun accroissement notable du nombre de plaintes concernant les services ferroviaires.

PERFORMANCE FINANCIÈRE DES TRANSPORTEURS

Les bénéfices nets de CP Rail et du CN ont accusé une baisse importante en 1989 en raison d'une diminution du trafic.

La diminution du trafic a eu de toute évidence, des répercussions sur les recettes des chemins de fer. Les recettes que CP Rail tire du transport des marchandises sont passées de 2,5 milliards de dollars en 1988 à 2,3 milliards en 1989, soit une diminution de 10,5 p. 100; au CN, les recettes ont baissé de 3,4 à 3,2 milliards, ce qui représente une différence de 7,9 p. 100. Ce recul s'est traduit par une baisse des bénéfices nets des compagnies ferroviaires. Après avoir connu les deux meilleures années de son histoire, CP Rail a vu en 1989 ses bénéfices fondre à cause de la diminution du trafic. Le CN accuse aussi une baisse de ses bénéfices nets, mais beaucoup moins marquée. Néanmoins, CP Rail conserve des bénéfices nets avant impôts, supérieurs à ceux du CN. En fait, depuis 1976, les bénéfices annuels nets de CP Rail sont supérieurs à 100 millions de dollars, alors que ceux du CN ont atteint ce niveau à six reprises dont deux au cours des deux dernières années.

Le CN a toujours rapporté une production par milles de voies et par employés plus élevée que celle de CP Rail et a donc encouru des frais d'exploitation relativement plus élevés, ce qui est l'un des principaux facteurs qui expliquent que ses bénéfices soient inférieurs à ceux de CP Rail. Une autre cause est l'endettement plus lourd du CN, qui occasionne des frais d'intérêt plus élevés. Depuis quelques années, la direction du CN s'efforce de réduire cet endettement par divers moyens, dont la vente d'actifs non ferroviaires. Elle a continué d'appliquer cette même stratégie en 1989 et a réussi à réduire sa dette totale d'environ 200 millions de dollars.

LIENS NORD-SUD

« Les priorités qui guident les dépenses de CP Rail... sont établies dans le but d'occuper une position stratégique sur un marché donné... Parmi les choix stratégiques figure l'expansion sur le marché américain... » (extrait du mémoire de CP Rail).

Vu l'expansion des échanges nord-sud, aussi bien le CN que CP Rail réaménagent leurs services pour répondre aux besoins changeants des expéditeurs et garantir la rentabilité des chemins de fer à long terme. Cet accroissement relatif de l'importance des liens nord-sud par opposition aux échanges est-ouest tient à un certain nombre de facteurs, notamment la mise en œuvre de l'Accord de libre-échange entre le Canada et les États-Unis et la concurrence croissante émanant des ports américains qui manutentionnent le trafic conteneurisé.

Les principales compagnies de chemins de fer canadiennes réagissent à cet état de choses en s'implantant davantage dans le marché nord-sud, soit en tissant des liens plus étroits avec des transporteurs américains, soit en s'en portant acquéreurs. Ainsi, CP Rail détient maintenant la totalité des actions de SOO Line et il a présenté une offre pour acquérir le Delaware and Hudson Railroad. En outre, il a conclu un accord d'exploitation avec Conrail sur le transport des conteneurs entre New York et Montréal. De la même façon, le CN a conclu des accords avec des transporteurs américains pour faire face au volume de trafic. En outre, le CN s'est allié à des compagnies ferroviaires américaines pour l'exploitation de trains porte-conteneurs à deux niveaux entre les ports du nord-ouest des États-Unis et Toronto et Montréal.

partie de leurs marchandises aux chemins de fer, à conclure des contrats confidentiels et constituent souvent à un ou plusieurs endroits une clientèle captive. Les propos suivants, tenus par un important expéditeur qui avait accès à un deuxième chemin de fer par interconnexion, résume bien l'opinion de ces expéditeurs : « Je ne crois pas qu'en 1989 les deux grandes compagnies de chemin de fer nationales tenaient à se disputer directement notre clientèle. Il semble leur répugner profondément d'entamer une guerre des prix. »

Les chemins de fer font face à d'autres pressions liées à la concurrence, en plus de celles qui découlent de la LTN 1987. L'Accord de libre-échange étant entré en vigueur, l'importance relative des échanges nord-sud a augmenté par rapport à ceux de l'axe est-ouest, si bien que les compagnies ferroviaires doivent repenser leurs stratégies pour maintenir leur trafic. Elles doivent également tenir compte des entreprises de camionnage, devenues plus concurrentielles grâce à l'assouplissement des règles relatives à l'entrée sur le marché par la *Loi de 1987 sur les transports routiers.* L'industrie du camionnage est en train d'orienter ses opérations dans une perspective nord-américaine.

Les compagnies ferroviaires cherchent, dans ce contexte de concurrence accrue, à maintenir ou à accroître leur part de marché face aux camionneurs. Elles soutiennent que, dans cette lutte, elles sont désavantagées par un certain nombre de déséquilibres dans le contexte plus large de la politique, déséquilibres qui, à leur avis, doivent être corrigés.

Les chemins de fer font face à cette nouvelle concurrence en réduisant leurs coûts au moyen de contrôles plus rigoureux, de nouveaux modes d'exploitation et de nouvelles technologies. La réduction des effectifs, le tunnel de Rogers Pass et l'exploitation de trains sans fourgon de queue sont des exemples de telles mesures, qui permettent des gains de productivité appréciables servant à renforcer leur compétitivité. Néanmoins, le CN et CP Rail insistent sur le fait qu'elles doivent éliminer beaucoup de voies non utilisées si elles veulent comprimer les coûts comme elles le doivent. À leur avis, le maintien d'un réseau de base rentable exige l'abandon de certaines lignes ou leur cession à d'autres entités pour exploitation. Les expéditeurs qui ne sont pas situés près du réseau de base seraient desservis par transport intermodal.

Dans l'ensemble, les expéditeurs sont conscients des intentions des compagnies de chemin de fer. La rationalisation est généralement acceptée par les usagers comme étant indispensable à l'accroissement de la productivité du réseau ferroviaire canadien, comme en témoigne le fait que, en 1989, à peine une poignée d'expéditeurs ont profité de l'enquête pour commenter les abandons de lignes.

Les moyens que les compagnies ferroviaires prennent pour réduire leurs coûts feront l'objet d'un examen plus rigoureux dans les sections consacrées à la performance financière et à la rationalisation.

La plupart des expéditeurs affirment que ces dispositions n'ont eu aucune incidence sur leur entreprise, et comme moyen d'obtenir des termes et conditions concurrentiels, ils ne leur attachent pas autant d'importance qu'aux contrats confidentiels et aux prix de ligne concurrentiels. Certains d'entre eux mentionnent pourtant que l'arbitrage présente des avantages dans les négociations.

Le fait qu'on se prévale si peu de ces dispositions et que les expéditeurs soient plutôt neutres dans leur évaluation montre que les dispositions de la LTN 1987 sur les transports ferroviaires ont l'effet recherché. Les expéditeurs et les compagnies de chemin de fer ont pu en arriver, dans le cadre du nouveau régime de marché, à des accords mutuellement satisfaisants, si bien qu'ils n'ont guère eu à faire intervenir une tierce partie.

La citation suivante, extraite des propos d'un important expéditeur, explique fort bien l'importance des dispositions sur l'accès aux services concurrentiels et le règlement des différends : « Il est vrai qu'il n'y a guère eu de recours effectif aux dispositions sur l'accès aux services concurrentiels et le règlement des différends, mais celles-ci ont beaucoup contribué à rendre les négociations plus équilibrées que cela n'avait été possible jusqu'ici. »

Le contexte concurrentiel en bref

La LTN 1987, le secteur du camionnage et l'Accord de libre-échange sont tous des éléments ayant contribué à aviver la concurrence à laquelle les compagnies ferroviaires doivent faire face.

Les expéditeurs et les compagnies ferroviaires s'entendent généralement pour dire que les dispositions de la LTN 1987 ont avivé la concurrence sur le marché, surtout par le biais des contrats confidentiels. Les compagnies ferroviaires ont mis à contrat une partie substantielle de leur trafic non céréalier. Elles ont pu s'en servir également pour tenter de reprendre une partie du trafic aux camionneurs. Pour leur part, les expéditeurs ont réussi à négocier des tarifs et des services qui les aident à maintenir, voire améliorer leur compétitivité tant au Canada qu'à l'étranger. Ils ont aussi reconnu la valeur des moyens mis à leur disposition en vertu de la LTN 1987 pour atteindre de tels objectifs.

Dans la conclusion de son mémoire, CP Rail procède à une évaluation globale de la LTN 1987. Après avoir réaffirmé son opposition aux prix de ligne concurrentiels, la compagnie déclare : « ... nous convenons avec de nombreux expéditeurs que la Loi peut avoir de nombreux avantages. » Le CN fait état des difficultés que comporte l'évaluation de l'incidence de cette loi, soulignant par exemple qu'il n'est guère facile de distinguer les effets de la Loi de d'autres influences comme celles de l'Accord de libre-échange. Il fait remarquer que c'est une tâche redoutable que de « ... circonscrire les effets de la Loi sur le rendement que le CN a pu réaliser ces dernières années ». Les deux compagnies ont reconnu que la concurrence les empêche de relever leurs tarifs au niveau de l'inflation.

La majorité des expéditeurs ont dit que les compagnies ferroviaires ne demandaient pas mieux que de se concurrencer l'une l'autre, mais, tout comme en 1988, un grand nombre d'entre eux estiment au contraire que cela ne les intéresse guère ou qu'elles ne tiennent pas à s'affronter directement. Parmi ce deuxième groupe, nombreux sont ceux qui n'acheminent qu'une petite partie de leur trafic par rail et la plupart n'ont pas de contrats confidentiels, tandis que les autres ont tendance à confier une grande

DÉSÉQUILIBRES DANS LA POLITIQUE SIGNALÉS PAR LE CN ET CP RAIL

Le CN et CP Rail, aussi bien dans leurs mémoires que tout au long de l'année, ont attiré l'attention sur ce qu'ils ont appelé un certain nombre de déséquilibres dans les politiques :

★ **traitement inéquitable des chemins de fer par rapport au secteur du camionnage :**

- **recouvrement incomplet, auprès des camionneurs, des frais pour l'utilisation des routes;**
- **paiement par les chemins de fer de taxes sur le carburant qui servent à payer les routes;**
- **paiement par les chemins de fer d'impôts fonciers sur les emprises, alors que les camionneurs n'ont aucune charge semblable à acquitter;**
- **tendances, parmi les gouvernements provinciaux, à relever le maximum de la longueur et du poids des tracteurs-remorques, ce qui a une incidence directe sur la concurrence entre les divers modes de transport.**

★ **contexte fiscal désavantageux par rapport à celui prévalant pour les compagnies ferroviaires américaines.**

Dans l'ensemble, le nombre de wagons visés par les interconnexions entre les deux chemins de fer, a diminué de 8 p. 100 en 1989. Comme il n'y a aucune donnée sur les années antérieures à 1988, il est impossible de comparer les activités des deux dernières années aux tendances d'avant 1988.

Une certaine partie de l'activité dans les zones 2, 3 et 4 est attribuable au trafic autrefois acheminé sur un itinéraire commun par les deux compagnies, alors que pour le reste, il s'agit d'un trafic qui n'était pas transporté par la compagnie qui assure le transport de ligne. Cependant, on ne connaît pas la façon dont se fait le partage entre ces deux types d'interconnexion, de sorte qu'il est difficile de mesurer l'incidence des nouvelles limites d'interconnexion prévues par la LTN 1987. Avant 1988, les expéditeurs se trouvant à l'intérieur de ces zones ne pouvaient se prévaloir de l'interconnexion.

Tout en admettant dans son mémoire à l'Office que l'interconnexion a donné à certains expéditeurs l'accès à des services de transport concurrentiels, CP Rail a exprimé la crainte qu'en repoussant les limites au-delà de 30 kilomètres, on ne crée une nouvelle « frontière non officielle ». Il est à noter que les expéditeurs situés à l'extérieur de la limite de 30 kilomètres de l'interconnexion, peuvent obtenir un accès compétitif par le biais d'un prix de ligne concurrentiel.

Le CN estime pour sa part que les frais d'interconnexion devraient être fixés par la compagnie ferroviaire et le client et non par l'Office.

Les représentants des principaux ports au Canada ont été invités à donner leur opinion sur l'incidence de la LTN 1987. En général, ils n'ont fait aucun commentaire au sujet de l'interconnexion; cependant, celle-ci inspire de vives préoccupations aux représentants des ports de Halifax et de Saint John. La citation suivante, de la société portuaire de Halifax, est celle qui résume le mieux ces inquiétudes : « ... les nouvelles dispositions sur l'interconnexion (...) ont permis aux chemins de fer américains de mieux livrer concurrence dans le transport des importations et des exportations canadiennes. »

Dans son mémoire, le port de Montréal soulève également la question des transporteurs américains qui se prévalent de ces dispositions et demande que les compagnies ferroviaires canadiennes et américaines aient droit au même traitement de part et d'autre de la frontière. Une solution possible qui a été suggérée pour remédier à cette situation pourrait être l'exclusion du trafic de remorques et de conteneurs sur wagon plat de l'interconnexion comme ils le sont des prix de ligne concurrentiels.

Prix de ligne concurrentiels

Selon les expéditeurs, les prix de ligne concurrentiels constituent un excellent moyen de négociation.

Les expéditeurs ayant localement accès à un seul chemin de fer et qui sont situés en dehors des zones d'interconnexion, ont la possibilité de recourir aux prix de ligne concurrentiels pour avoir accès à un deuxième chemin de fer.

Les recours aux prix de ligne concurrentiels n'ont pas été très nombreux, l'Office n'ayant eu à se prononcer que sur quatre cas en 1989 et un seul en 1988. Les quelques prix de ligne concurrentiels demandés portaient sur du trafic transfrontalier liant des opérations ferroviaires intérieures à celles de transporteurs ferroviaires américains. Il n'y a eu aucun prix de ligne concurrentiel entre les deux chemins de fer pour du trafic intérieur. Les prix de ligne concurrentiels ont été introduits dans la LTN 1987 pour permettre un accès concurrentiel aux expéditeurs situés à l'extérieur des limites d'interconnexion. Ces prix ont toutefois joué un grand rôle dans les négociations, comme le disent les expéditeurs captifs, qui y attachent une grande valeur comme moyen de négociation des termes et conditions de transport et qui estiment qu'ils ont eu des effets bénéfiques sur leurs entreprises. Pour leur part, les compagnies de chemin de fer ont réitéré leur opposition à cette disposition. CP Rail croit que les prix de ligne concurrentiels sont inutiles tandis que le CN affirme que, compte tenu des dispositions sur l'interconnexion, le recours à ces prix a pour effet d'obliger la compagnie visée à partager avec ses concurrents le fruit de ses investissements.

L'analyse des résultats de l'enquête révèle qu'il y a encore beaucoup d'expéditeurs qui ne sont pas au courant des dispositions de la LTN 1987 sur l'accès aux services concurrentiels.

Règlement des différends

Le fait qu'on recourt peu aux mécanismes de règlement des différends montre que les dispositions de la LTN 1987 sur les transports ferroviaires ont l'effet recherché.

En 1989, les dispositions sur le règlement des différends n'ont guère été utilisées. En effet, il y a eu huit demandes d'enquête d'intérêt public, dans le secteur des transports ferroviaires, dont une a été retirée, quatre demandes de médiation au sujet des conditions de transport et une demande d'arbitrage qui a ensuite été retirée.

Opinion des transporteurs

Les compagnies ferroviaires voient les contrats confidentiels d'un bon œil.

La citation suivante traduit bien l'opinion favorable du CN au sujet des contrats confidentiels : « Tant pour les expéditeurs que pour les transporteurs, cette disposition est de loin la plus importante et la plus favorable de la LTN 1987. »

Pour sa part CP Rail, le chemin de fer ayant déposé le plus grand nombre de contrats confidentiels, estime que : « En 1989, les contrats confidentiels ont de nouveau été l'élément dominant dans le nouveau contexte concurrentiel... » La compagnie ajoute : « Les contrats confidentiels entraînent cependant une diminution importante des recettes. »

Accès aux services concurrentiels et règlement des différends

La LTN 1987 favorise la concurrence entre les compagnies ferroviaires au moyen de certaines dispositions sur l'accès aux services concurrentiels et sur le règlement des différends. Dans leurs efforts pour obtenir des tarifs et des services concurrentiels, les expéditeurs peuvent utiliser ces dispositions comme moyen de négociation, ou encore, les invoquer pour obtenir l'accès à un autre chemin de fer ou pour régler un différend.

Interconnexion

Les expéditeurs estiment généralement que les dispositions sur l'interconnexion ont une incidence favorable.

Les expéditeurs situés le long de la ligne d'un chemin de fer et dans un rayon de 30 kilomètres d'une interconnexion avec la ligne d'un deuxième chemin de fer ont la possibilité de faire acheminer leurs marchandises par ce deuxième chemin de fer.

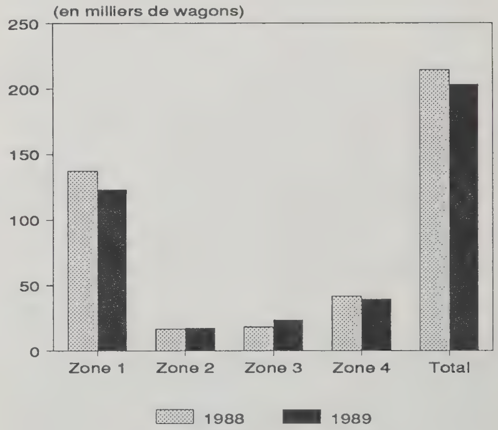
Quatre zones ont été délimitées aux fins de l'établissement des prix maximums d'interconnexion : zone 1, jusqu'à 6,4 kilomètres; zone 2, de 6,4 à 10 kilomètres; zone 3, de 10 à 20 kilomètres; zone 4, de 20 à 30 kilomètres.

D'après l'enquête, une proportion appréciable d'expéditeurs se trouvant à l'intérieur de ces limites se sont prévalus de cette possibilité d'interconnexion en 1989, et bon nombre d'entre eux ont invoqué cette disposition pour obtenir des termes et conditions de transport plus compétitifs.

En moyenne, 50 p. 100 des expéditeurs de chaque région qui ont confié leurs marchandises à un deuxième chemin de fer ont dit que leur entreprise en avait retiré un avantage. La plupart des autres expéditeurs estiment que l'incidence a été nulle. En outre, les clients des compagnies ferroviaires ont mentionné que l'interconnexion s'avérait un atout important pour obtenir des termes et conditions compétitifs, soit en ayant recours à l'interconnexion comme tel ou en utilisant la disposition sur l'interconnexion dans leurs négociations.

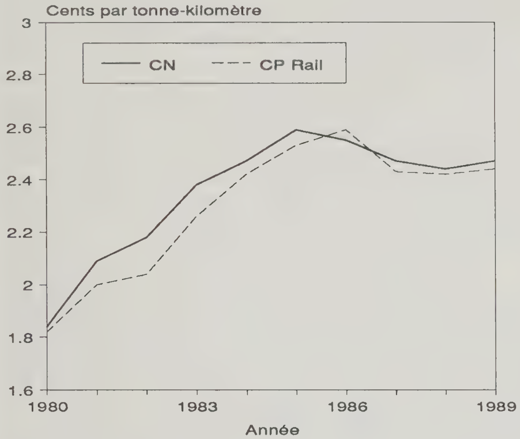
Le graphique 4.12 donne un aperçu du nombre de wagons qui, en 1988 et en 1989, sont ainsi passés du CN à CP Rail et vice versa ainsi qu'entre ces deux transporteurs et d'autres chemins de fer. Plus de 60 p. 100 de l'activité d'interconnexion a été confinée à la zone 1, qui correspond à la limite de 4 milles en vigueur avant 1988. Les échanges de wagons de céréales pour les livraisons aux terminaux, notamment à Thunder Bay, représentent plus du quart des interconnexions dans la zone 1. Quant au reste des activités, il faut signaler qu'il y a eu plus d'interconnexions dans la zone 4 que dans les zones 2 ou 3.

GRAPHIQUE 4.12 : INTERCONNEXIONS - CN ET CP RAIL



Source : Mémoires soumis à l'Office par les compagnies ferroviaires.

GRAPHIQUE 4.10 : RECETTES PAR TONNE-KILOMÈTRE - CN ET CP RAIL



1989 : Données préliminaires

Source : Rapports annuels des compagnies ferroviaires remis à l'Office.

le démontre, ces recettes n'ont augmenté que légèrement en 1989, aussi bien au CN que chez CP Rail. Pour comprendre les fluctuations annuelles des recettes par tonne-kilomètre, il faut tenir compte d'un certain nombre de facteurs, tels que la demande de marchandises, la composition du trafic, le degré de concurrence intermodale et intramodale et les mécanismes prévus par la LTN 1987 en matière de concurrence.

Le trafic ferroviaire a diminué en 1989 en raison de la conjoncture de l'économie, mais aussi de la sécheresse et de problèmes propres aux marchés de certains produits. La diminution du trafic de certaines marchandises n'a pas été répartie également entre tous les points d'origine et de destination, si bien que les recettes moyennes par tonne-kilomètre ont progressé pour certains produits tandis qu'elles diminuaient pour d'autres.

Les contrats confidentiels, alliés à d'autres dispositions de la LTN 1987 relatives à la concurrence, ont généralement eu un effet bénéfique, comme l'enquête le démontre, sur les tarifs payés par les expéditeurs, car leur augmentation a été freinée et il y a même eu des baisses, ce qui a eu tendance à faire baisser les recettes par tonne-kilomètre.

Les chemins de fer doivent parfois faire face à la concurrence d'autres modes de transport. De nombreux expéditeurs ont fait remarquer que l'accès à ces autres modes pouvait peser lourd dans la négociation des conditions contractuelles.

Opinion des expéditeurs

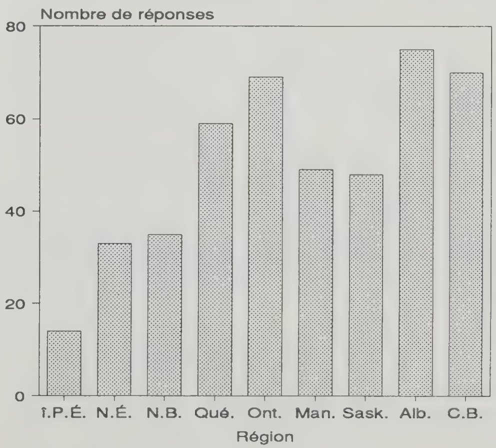
Les expéditeurs ont émis une opinion favorable concernant les contrats confidentiels.

Les expéditeurs ont largement recours aux contrats confidentiels, qu'ils perçoivent comme étant leur meilleure arme pour générer de la concurrence dans les services ferroviaires. À en juger d'après les résultats de l'enquête, ils en ont bénéficié dans le cadre des négociations des tarifs et des conditions de service avec les compagnies ferroviaires. De tels termes et conditions peuvent être structurés pour un mouvement spécifique et comprennent des mesures incitatives visant de plus larges volumes par train et le retour plus rapide de l'équipement. Dans l'ensemble, les expéditeurs de toutes les régions ont une opinion favorable à l'égard de ces contrats, comme le graphique 4.11 permet de le constater.

La Commission des transports des provinces de l'Atlantique, s'appuyant sur des entretiens avec les expéditeurs, est d'avis que : « En 1989, les expéditeurs ont été plus nombreux qu'en 1988 à considérer les contrats confidentiels comme étant un bon moyen de satisfaire leurs besoins en matière de transport*. »

* Toutes les citations sont des traductions libres.

GRAPHIQUE 4.11 : VENTILATION RÉGIONALE DES EXPÉDITEURS ESTIMANT QUE LES CONTRATS CONFIDENTIELS ONT UNE INCIDENCE FAVORABLE



Source : Enquête de l'Office auprès des expéditeurs

Des expéditeurs de toutes tailles et qui empruntent à des degrés divers le transport par chemin de fer, ont déclaré avoir des contrats confidentiels. Le recours à ces contrats semble toutefois relativement plus fréquent chez les expéditeurs dont les dépenses annuelles en transport dépassent les 5 millions de dollars que chez les autres. De la même manière, ceux qui acheminent plus de 20 p. 100 de leur trafic par rail déclarent avoir des contrats confidentiels dans une proportion relativement plus élevée que ceux qui font un moins grand usage des chemins de fer.

Tout comme en 1988, l'enquête de 1989 démontre que les expéditeurs n'étaient pas obligés, pour signer un contrat, d'expédier tout leur trafic ferroviaire dans le cadre de ce contrat. Le pourcentage du trafic visé par le contrat variait entre une infime proportion du trafic ferroviaire total et l'ensemble de ce trafic. Cependant, ceux qui avaient davantage recours au transport ferroviaire expédiaient, en moyenne, une proportion plus élevée de leur trafic à contrat.

Toujours selon le sondage, les expéditeurs ayant des contrats confidentiels expédiaient en moyenne 65 p. 100 de leur trafic ferroviaire en vertu de ces contrats en 1989, alors que la proportion, en 1988, était de 60 p. 100. Un nombre relativement plus élevé d'expéditeurs importants que de petits et moyens expéditeurs ont déclaré avoir augmenté en 1989 le pourcentage de leurs expéditions faites en vertu d'un contrat.

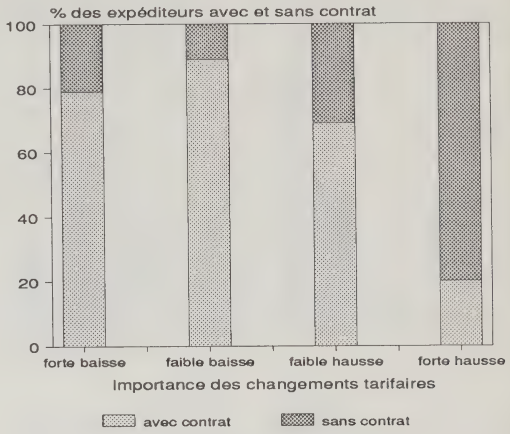
Tarifs

Les contrats confidentiels ont beaucoup influencé les modifications de tarif.

Plus de la moitié des expéditeurs ont signalé que leurs tarifs de transport ferroviaire avaient augmenté alors que, pour d'autres, ces tarifs sont demeurés stables ou ont diminué. Le résultat global consiste en une augmentation moyenne de 1,1 p. 100 en 1989. Les trois quarts des augmentations déclarées se situaient dans la tranche de 1 à 4 p. 100 et le reste surtout dans la tranche de 5 à 8 p. 100.

Les contrats confidentiels ont été un facteur déterminant dans la modification des tarifs. Parmi les expéditeurs qui ont déclaré des hausses, trois sur cinq avaient des contrats confidentiels, mais pour ces derniers, les hausses se situaient dans la tranche de 1 à 4 p. 100, alors que la moitié des hausses imposées aux expéditeurs sans contrat étaient supérieures à 4 p. 100. De plus, quatre expéditeurs sur cinq, ayant déclaré des baisses, avaient des contrats, et plus de la moitié de ces baisses étaient supérieures à 4 p. 100.

GRAPHIQUE 4.9 : AMPLEUR DES MODIFICATIONS DE TARIF SIGNALÉES PAR LES EXPÉDITEURS AVEC ET SANS CONTRAT



Source : Enquête de l'Office auprès des expéditeurs

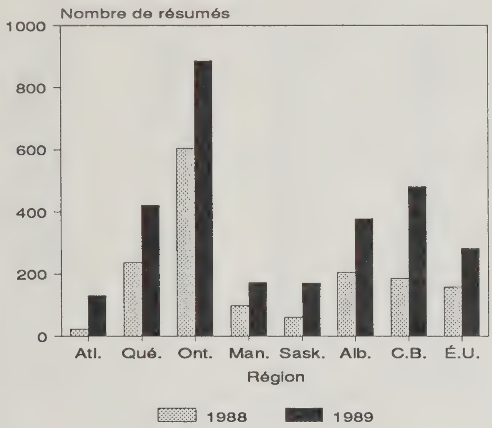
Soixante-dix-neuf pour cent de ceux qui ont conclu des contrats confidentiels (pourcentage légèrement plus élevé qu'en 1988), ont déclaré que les tarifs contractuels étaient inférieurs aux tarifs publiés. De façon générale, les expéditeurs, quelles que soient leur taille et l'utilisation qu'ils font du transport ferroviaire, bénéficiaient de tarifs contractuels inférieurs aux tarifs publiés. Seulement 4 p. 100 avaient des tarifs contractuels supérieurs aux tarifs publiés, et il s'agissait de petits ou moyens expéditeurs qui utilisaient moins le chemin de fer que d'autres modes de transport.

Vingt-cinq pour cent des expéditeurs qui avaient des contrats confidentiels en 1989 et en 1988 ont déclaré que les tarifs de 1989 étaient inférieurs à ceux de 1988. Quant au reste des expéditeurs qui avaient un contrat confidentiel pendant ces deux années, le tiers ont rapporté que leurs tarifs de contrat confidentiel étaient au même niveau en 1989.

Dans les provinces de l'Atlantique, moins du sixième des expéditeurs interrogés dans le cadre de l'enquête de la Commission des transports des provinces de l'Atlantique, ont révélé que leurs tarifs contractuels étaient plus élevés en 1989 qu'en 1988.

Les recettes par tonne-kilomètre donnent une indication générale des changements qui surviennent dans les tarifs ferroviaires. Comme le graphique 4.10

GRAPHIQUE 4.8 : POINTS D'ORIGINE MENTIONNÉS DANS LES RÉSUMÉS DE CONTRATS DE CP RAIL



Note : Lorsqu'un contrat prévoit plus d'un lieu d'origine ou de destination, un point d'origine est compté pour chaque jumelage d'origine-destination contenu dans le contrat. Par conséquent, le nombre des points d'origine est supérieur au nombre de contrats déposés.

Source : Résumés de contrats confidentiels déposés auprès de l'Office

Produits transportés à contrat

C'est dans les industries du bois d'œuvre et des produits chimiques qu'on a enregistré la plus forte augmentation, parmi les produits cités dans les contrats confidentiels.

Les produits des industries du bois d'œuvre, de la chimie, de l'alimentation, des pâtes et papiers, du pétrole et des mines représentent toujours la majeure partie des marchandises visées par les contrats confidentiels; l'augmentation la plus considérable, par rapport à 1988, a été enregistrée dans les industries du bois d'œuvre et des produits chimiques.

Les contrats portant sur le bois d'œuvre dont le lieu d'origine est situé en Colombie-Britannique ont été beaucoup plus nombreux que ceux de toute autre combinaison produit-région. Viennent ensuite, par ordre d'importance, les produits alimentaires de l'Ontario, les produits chimiques de cette même province et les pâtes et papiers de l'Ontario et du Québec.

Plus de 40 p. 100 des résumés de contrats portant sur le transport du bois de la Colombie-Britannique indiquent des destinations américaines et un cinquième, des destinations ontariennes. Plus du tiers des contrats ontariens, portant sur des produits alimentaires, mentionnaient des lieux de destination situés en Colombie-Britannique et en Alberta, le reste des destinations, étant réparties un peu partout aux Canada et aux États-Unis. Parmi les nombreux contrats de l'industrie chimique, indiquant l'Ontario comme lieu d'origine, un sur quatre mentionnait, comme destination, un endroit situé aux États-Unis; pour le reste, la majorité des destinations indiquées se trouvaient en Alberta, en Ontario et en Colombie-Britannique. Les États-Unis étaient la principale destination figurant dans les résumés de contrats du Québec concernant les pâtes et papiers (35 p. 100 des points de destination), tandis que, en Ontario, ce type de trafic expédié en vertu de contrats confidentiels, étaient destinés à des endroits situés un peu partout au Canada. Parmi les autres jumelages importants d'expédition-destination, notons le bois de construction expédié à partir de l'Alberta vers l'Ontario et le Québec, les produits chimiques albertains envoyés aux États-Unis, les produits chimiques américains transportés en Ontario et au Québec, les produits alimentaires américains acheminés dans ces deux mêmes provinces et diverses régions des États-Unis et enfin les produits pétroliers et houillers de l'Ontario expédiés aux États-Unis.

Expéditeurs et contrats confidentiels

Des expéditeurs de toutes tailles ont eu recours aux contrats confidentiels, qu'ils considèrent comme l'atout le plus important dans un monde de concurrence.

Les résultats de l'enquête font ressortir l'importance grandissante des contrats confidentiels sur le marché des transports ferroviaires. En 1989, un plus grand nombre d'expéditeurs ont admis avoir conclu des contrats confidentiels et mentionné qu'eux-mêmes et les compagnies ferroviaires avaient davantage cherché à négocier des contrats.

Les expéditeurs ont signalé que les contrats confidentiels étaient leur principal atout pour obtenir des termes et conditions compétitifs de transport. Dans la négociation de ces contrats, ils ont d'abord mis l'accent sur les concessions tarifaires et ensuite sur les garanties concernant le service et le rajustement des prix à la hausse. Par rapport à 1988, les expéditeurs semblent avoir, en 1989, mis l'accent davantage sur les garanties relatives au service et à l'équipement, bien que les résultats de l'enquête soient loin d'être concluants à cet égard.

La plupart des contrats ont été signés pour une période d'un an ou moins, et seulement un petit nombre portaient sur une période de plus de deux ans. Cette constatation vaut surtout pour les transporteurs autres que le CN. Tout comme en 1988, les contrats de cette dernière compagnie portaient sur une plus longue période que chez CP Rail. La durée moyenne des contrats déposés par les deux compagnies en 1989 a été d'environ 7 p. 100 plus brève qu'en 1988. Ceci pourrait s'expliquer par le fait que plusieurs nouveaux contrats confidentiels déposés en 1989 touchaient de petits expéditeurs qui étaient moins familiers avec les contrats confidentiels et qui, par conséquent, hésitaient à s'engager pour une longue période.

Environ le quart des contrats étaient à reconduction tacite, c'est-à-dire que les conditions sont automatiquement reconduites après la date d'expiration prévue à moins qu'une des deux parties n'avise l'autre qu'elle mettra un terme à l'entente. Proportionnellement, CP Rail a signé moins de contrats de ce type que ne l'ont fait le CN et les autres transporteurs.

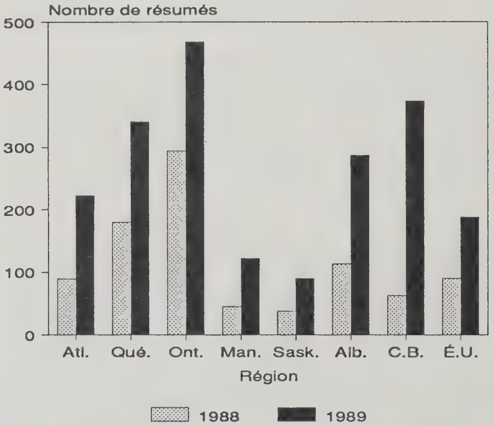
Répartition régionale des contrats

La proportion des points d'origine situés en dehors de l'Ontario a augmenté de façon marquée en 1989.

En ce qui a trait aux points d'origine déclarés dans les résumés de contrats confidentiels, on a constaté qu'il y a eu en 1989, un déplacement important aux dépens du Canada central, car, à la fin de l'exercice, cette région ne représentait plus que les deux cinquièmes des contrats. Les points d'origine situés en Colombie-Britannique et dans les provinces de l'Atlantique étaient relativement plus nombreux en 1989 qu'en 1988. Il y a eu aussi diminution du nombre de points d'origine situés aux États-Unis.

Le CN tout comme CP Rail ont déposé des contrats indiquant des points d'origine situés dans toutes les régions du pays, mais on remarque entre les deux transporteurs d'importantes différences dans la répartition régionale. Les provinces de l'Atlantique sont plus souvent mentionnées dans les contrats du CN que dans ceux de CP Rail, ce qui n'est guère étonnant, vu l'importance du réseau du CN dans cette région. Par ailleurs, la proportion des points d'origine situés en Ontario est plus forte dans les contrats de CP Rail. Quant aux contrats des autres transporteurs, dont la plupart sont des prolongements de chemins de fer américains, on y trouve un grand nombre de points d'origine et de destination situés aux États-Unis. Les proportions des liaisons interrégionales établies à partir des lieux d'origine et de destination mentionnés dans les contrats confidentiels reflètent assez fidèlement le trafic non céréalier des chemins de fer. Il y a toutefois des variations selon les régions. Ainsi, près de 30 p. 100 des points d'origine situés en Colombie-Britannique sont jumelés avec des destinations américaines, alors que la proportion n'est que de un sixième dans le reste du Canada. En Alberta aussi, les points d'origine correspondent souvent à des destinations américaines, mais l'Ontario constitue une destination importante pour les marchandises albertaines déplacées à contrat. Par contre, les points de destination situés en Alberta et en Colombie-Britannique sont souvent jumelés avec des points d'origine qui se trouvent en Ontario. Plus de la moitié des points d'origine situés aux États-Unis sont jumelés avec des destinations ontariennes et québécoises, et un cinquième avec des localités américaines.

GRAPHIQUE 4.7 : POINTS D'ORIGINE MENTIONNÉS DANS LES RÉSUMÉS DE CONTRATS DU CN



Note : Lorsqu'un contrat prévoit plus d'un lieu d'origine ou de destination, un point d'origine est compté pour chaque jumelage d'origine-destination contenu dans le contrat. Par conséquent, le nombre des points d'origine est supérieur au nombre de contrats déposés.

Source : Résumés de contrats confidentiels déposés auprès de l'Office

De nombreux produits sont acheminés par les services intermodaux, et ce type d'activité représente une partie importante des recettes et du volume des marchandises acheminées par le CN et CP Rail. En termes de volume, si l'on exclut le trafic céréalier, ces expéditions viennent au deuxième rang, derrière le charbon. Le trafic intermodal a pris beaucoup d'importance parce que l'utilisation des conteneurs continue de prendre de l'ampleur dans le commerce international et que ce mode de transport est en train de s'implanter dans le commerce intérieur.

En 1989, les expéditions intermodales du CN sont restées inchangées par rapport à l'année précédente, alors qu'elles ont diminué de 5 p. 100 chez CP Rail. Cette baisse de tonnage du trafic intermodal provenait à la fois du transport intérieur et des exportations.

CONCURRENCE

Contrats confidentiels

Le succès des contrats confidentiels a continué de prendre de l'ampleur en 1989.

Les expéditeurs et les transporteurs ont eu davantage recours aux contrats confidentiels, ceux-ci étant toujours populaires. Il s'est signé deux fois plus de contrats en 1989 qu'en 1988; à la fin de l'exercice, on en comptait 2 525, dont 55 p. 100 ont été déposés par CP Rail, la part du CN restant à 30 p. 100.

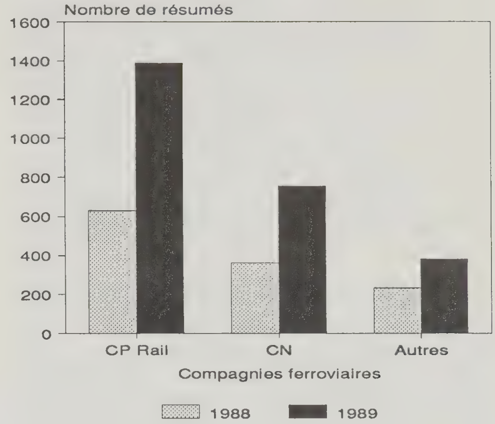
Les autres contrats ont été déposés par les transporteurs suivants : CSX Transportation, Burlington Northern, Norfolk and Western, Wisconsin Central, Consolidated Rail Corporation, Algoma Central et Southern Railway System. En 1989, le nombre de contrats déposés par ces transporteurs a augmenté beaucoup moins rapidement que ce ne fut le cas pour le CN et CP Rail.

Dépôt de contrats

Le rythme de dépôt de contrats confidentiels a doublé en 1989.

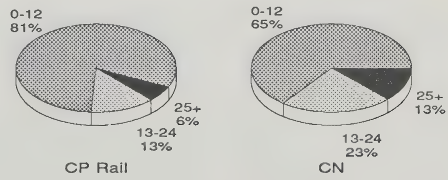
À la fin de l'année 1988, les contrats étaient déposés auprès de l'Office au rythme de plus d'une centaine par mois. Au début de 1989, ce rythme est passé à plus de 200 par mois, niveau qui s'est maintenu tout au long de l'année. Les compagnies ferroviaires estiment qu'à la fin de l'année, environ 70 p. 100 de leurs recettes, compte tenu du trafic non céréalier, provenaient du transport de marchandises à contrat.

GRAPHIQUE 4.5 : NOMBRE DE RÉSUMÉS DE CONTRATS CONFIDENTIELS DÉPOSÉS, PAR TRANSPORTEUR



Source : Résumés de contrats confidentiels déposés auprès de l'Office

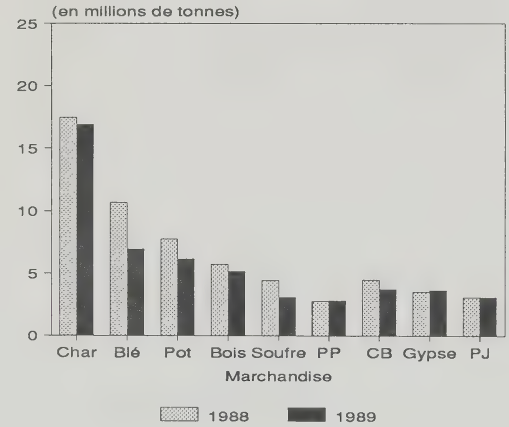
GRAPHIQUE 4.6 : DURÉE EN MOIS DES CONTRATS DÉPOSÉS EN 1989



Source : Résumés de contrats confidentiels déposés auprès de l'Office

Même une modeste réduction de la demande de transport ferroviaire par le secteur houiller, comme celle qui s'est produite en 1989, a des répercussions considérables sur le volume de trafic ferroviaire. La baisse a été d'environ 4 p. 100, tant au CN que chez CP Rail et elle est attribuable essentiellement à la diminution de la demande intérieure d'importants clients ayant accumulé des réserves de charbon en 1988.

GRAPHIQUE 4.3 : MARCHANDISES TRANSPORTÉES PAR LE CN, PAR GROUPE DE PRODUITS



Note : Char. = charbon; Pot. = potasse; Bois = bois d'œuvre; PP = pâte à papier; CB = copeaux de bois; PJ = papier journal

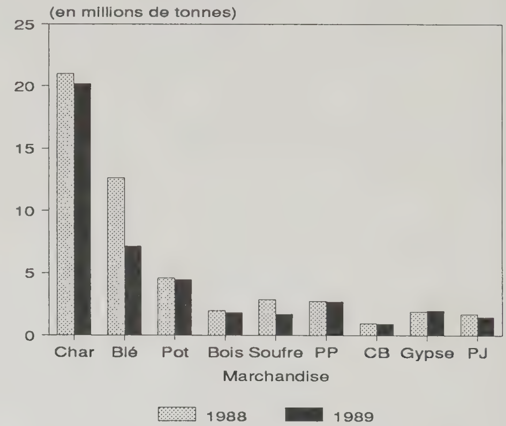
Source : Bandes magnétiques fournies par le CN

- Le trafic de bois d'œuvre a aussi ralenti, surtout à cause de la faiblesse du marché domiciliaire. La baisse a été trois fois plus marquée au CN que chez son concurrent. Qui plus est, la diminution enregistrée au CN a touché à la fois les marchés intérieur, américain et étranger tandis que celle observée chez CP Rail concernait uniquement le marché intérieur.
- Le trafic de papier journal et d'autres papiers est resté sensiblement le même au CN, mais il a baissé de 17 p. 100 chez CP Rail, surtout dans le trafic vers les États-Unis, où la demande a fléchi.

D'autres produits importants méritent quelques observations :

- L'orge, l'avoine et le colza Canola ont représenté près de 5 p. 100 du trafic du CN et de CP Rail en

GRAPHIQUE 4.4 : MARCHANDISES TRANSPORTÉES PAR CP RAIL, PAR GROUPE DE PRODUITS



Note : Char. = charbon; Pot. = potasse; Bois = bois d'œuvre; PP = pâte à papier; CB = copeaux de bois; PJ = papier journal

Source : Bandes magnétiques fournies par CP Rail

1989. Le volume a augmenté d'un million et demi de tonnes par rapport à 1988, une année plutôt mauvaise pour ces produits.

- Le volume des expéditions de pâte à papier par le CN et CP Rail, s'établissant à 5,5 millions de tonnes en 1989, n'a guère changé par rapport à celui de 1988.
- En 1989, le transport de gypse, autre produit important pour les deux compagnies, n'a que très peu progressé.
- Les produits regroupés sous les rubriques gaz raffinés, bases inorganiques et alcools et dérivés ont représenté 3 p. 100 du total des marchandises transportées par le CN et CP Rail en 1989. Le volume de ce trafic a baissé de 4 p. 100 par rapport à 1988 en raison notamment d'un fléchissement de la demande de certains de ces produits dans les secteurs des pâtes et papiers et des engrais.
- Les produits de l'industrie automobile ont constitué 2 p. 100 du trafic total du CN et de CP Rail en 1989. Ce trafic est demeuré inchangé par rapport à 1988, mais il y a eu des baisses et des augmentations parmi les différents produits classés dans ce type de trafic.

Tableau 4.1 (*suite*)

CANADA ATLANTIQUE

Marchandises expédiées

volume
11,3 millions de tonnes, soit 6 p. 100 de tout le trafic de 1988, provenaient du Canada atlantique

produits principaux
trois produits ont dépassé le demi-million de tonnes : le gypse, 46 p. 100; la potasse, 14 p. 100; le charbon, 7 p. 100

destinations
gypse et potasse exportés par les ports de l'Atlantique et charbon transporté à l'intérieur de la Nouvelle-Écosse

CN et CP Rail
le volume de marchandises transportées par le CN a été de 404 p. 100 supérieur à celui de CP Rail

tendance
le volume global a augmenté de 13 p. 100 : le gypse, de 25 p. 100; la potasse est un nouveau produit expédié de cette région

Marchandises livrées

volume
4,4 millions de tonnes, soit 2 p. 100 de tout le trafic de 1988, étaient livrées au Canada atlantique

produits principaux
un produit a dépassé le demi-million de tonnes, soit le charbon, à 17 p. 100

Source : D'après les données de trafic des chemins de fer.

IMPORTATIONS ET EXPORTATIONS

Importations

volume
les importations ont généré un trafic de 17,3 millions de tonnes en 1988, soit 9 p. 100 de tout le trafic; les importations américaines ont représenté 6 p. 100 de tout le trafic et les importations acheminées par les ports de l'Est et de l'Ouest ont totalisé respectivement 2 et 1 p. 100 de tout le trafic

produits principaux
marchandises mixtes en wagon complet et pâte mécanique ont été les deux principaux produits provenant des États-Unis par rail; les conteneurs sur wagon plat et les marchandises mixtes en wagon complet venaient au premier rang du trafic émanant des ports de l'Est, tandis que, dans ceux de l'Ouest, c'étaient le phosphate minéral et les marchandises mixtes en wagon complet

destinations
50 p. 100 des importations en provenance des États-Unis, par rail, étaient destinées à l'Ontario et au Québec, et 30 p. 100 étaient réexportées aux États-Unis par rail; plus de 80 p. 100 des importations arrivées par l'Est et l'Ouest, exception faite du phosphate, étaient destinées aux deux mêmes provinces

CN et CP Rail
le volume des marchandises transportées par le CN était de 9 p. 100 plus élevé que celui de CP Rail

tendance
augmentation globale de 46 p. 100 du trafic des importations

Exportations

volume
118,8 millions de tonnes, soit 59 p. 100 de tout le trafic, ont été exportées en 1988 : 31 p. 100 par les ports de la côte ouest, 17 p. 100 vers les États-Unis et 11 p. 100 via les ports de l'Est

produits principaux
le charbon a représenté 25 p. 100 des exportations et le blé 19 p. 100

Tableau 4.1 (*suite*)

ONTARIO	QUÉBEC
Marchandises expédiées	**Marchandises expédiées**
volume 34,1 millions de tonnes, soit 17 p. 100 de tout le trafic de 1988, provenaient de l'Ontario	**volume** 16,7 millions de tonnes, soit 8 p. 100 de tout le trafic de 1988, provenaient du Québec
produits principaux répartition variée de produits, dont 21 ont dépassé le demi-million de tonnes; les trois plus importants sont : les minerais de nickel et de cuivre, 11 p. 100; les minerais de fer et concentrés, 6 p. 100; la pierre à chaux broyée, 5 p. 100	**produits principaux** huit produits ont dépassé le demi-million de tonnes : le papier journal, 16 p. 100 et les copeaux de bois, 10 p. 100
destinations 71 p. 100 des marchandises ont été expédiées à divers endroits au Canada, et 62 p. 100 de ce trafic était destiné à l'Ontario; 21 p. 100 du trafic ontarien était destiné au marché américain	**destinations** 54 p. 100 des marchandises étaient destinées à divers endroits au Canada et 40 p. 100 aux États-Unis
CN et CP Rail le volume expédié par le CN a dépassé de 29 p. 100 celui de CP Rail; les cinq produits les plus importants transportés par le CN ont été le minerai de fer et les concentrés, la pierre à chaux broyée, les gaz raffinés, le papier journal et les véhicules automobiles; ceux de CP Rail, ont été les minerais de nickel et de cuivre, la pâte à papier, l'acide sulfurique, les marchandises mixtes en wagon complet et le blé	**CN et CP Rail** le volume des marchandises expédiées par le CN était de 240 p. 100 supérieur à celui de CP Rail
tendance le trafic global a été à la baisse de 23 p. 100, soit 10 millions de tonnes; importantes diminutions pour les minerais de fer, de nickel et de cuivre, pour le bois à pâte et le carburant diesel	**tendance** diminution du trafic global de 2 p. 100, et ce, pour de nombreux produits
Marchandises livrées	**Marchandises livrées**
volume 36,4 millions de tonnes, soit 18 p. 100 de tout le trafic de 1988, étaient livrées en Ontario	**volume** 15,1 millions de tonnes, soit 8 p. 100 de tout le trafic de 1988, étaient livrées au Québec
produits principaux 17 produits ont dépassé le demi-million de tonnes : le charbon, 15 p. 100; les minerais de nickel et de cuivre, 10 p. 100	**produits principaux** six produits ont dépassé le demi-million de tonnes : les copeaux de bois, 11 p. 100 et les marchandises mixtes en wagon complet, 7 p. 100

Tableau 4.1 (*suite*)

Les deux compagnies ferroviaires ont transporté 200 millions de tonnes de marchandises en 1988, la part du CN étant de 30 p. 100 supérieure à celle de CP Rail. Depuis 1980, le trafic a affiché une croissance de 11 p. 100, en raison principalement de l'augmentation du trafic provenant des provinces de l'Ouest et destiné à l'exportation via les ports de la côte ouest. Cette progression des exportations de l'Ouest explique également que les exportations aient atteint en 1988 une proportion de 59 p. 100 de l'ensemble du trafic ferroviaire.

SASKATCHEWAN

Marchandises expédiées

volume
32,6 millions de tonnes, soit 16 p. 100 de tout le trafic, provenaient de la Saskatchewan en 1988

produits principaux
trois produits représentaient 82 p. 100 du volume : le blé, 40 p. 100; la potasse, 33 p.100; le charbon, 9 p. 100

destinations
55 p. 100 du blé exporté par les ports de la côte ouest et 44 p. 100 par ceux de l'est du Canada; 42 p. 100 de la potasse exportée par les ports de la côte ouest et 35 p. 100 exportée vers les États-Unis; charbon expédié surtout vers l'Ontario

CN et CP Rail
les deux compagnies ont enregistré un volume égal en 1988

tendance
augmentation globale du trafic essentiellement à cause d'une croissance des expéditions de charbon; déplacement des exportations de blé des ports de l'Est vers les ports de l'Ouest

Marchandises livrées

volume
2,6 millions de tonnes, soit 1 p. 100 de tout le trafic, ont été livrées en Saskatchewan en 1988

produits principaux
un seul produit a dépassé le demi-million de tonnes, la ferraille de fonte et d'acier, 15 p. 100

MANITOBA

Marchandises expédiées

volume
8,4 millions de tonnes, soit 4 p. 100 de tout le trafic de 1988, provenaient du Manitoba

produits principaux
un seul produit a dépassé le demi-million de tonnes, le blé, 40 p. 100

destinations
96 p. 100 du blé exporté, surtout par les ports de l'est du Canada

CN et CP Rail
le volume des marchandises expédiées par le CN a été de 23 p. 100 supérieur à celui de CP Rail

tendance
le trafic global a diminué de 11 p. 100, surtout à cause d'une diminution dans les expéditions de pierre à chaux broyée

Marchandises livrées

volume
4,7 millions de tonnes, soit 2 p. 100 de tout le trafic de 1988, étaient livrées au Manitoba

produits principaux
un seul produit a dépassé le demi-million de tonnes, le charbon, à 20 p. 100

TABLEAU 4.1

TRAFIC FERROVIAIRE PAR RÉGION

1980 À 1988

Le présent tableau présente les principales données sur les marchandises acheminées par le CN et CP Rail et expédiées à partir ou à destination de chacune des régions canadiennes. Il décrit également l'évolution du trafic au cours de la décennie écoulée.

COLOMBIE-BRITANNIQUE

Marchandises expédiées

volume
38,5 millions de tonnes, soit 19 p. 100 de tout le trafic de 1988, provenaient de la C.-B. en 1988

produits principaux
trois produits représentaient 85 p. 100 du volume : le charbon, 64 p. 100; le bois d'œuvre, 13 p. 100; les copeaux de bois, 8 p. 100

destinations
92 p. 100 du charbon exporté par les ports de la côte ouest; 54 p. 100 du bois d'œuvre à destination des É.-U.; 86 p. 100 des copeaux de bois expédiés à l'intérieur de la C.-B.

CN et CP Rail
Le volume de trafic assumé par CP Rail a été de 57 p. 100 plus important que celui du CN dans la région

tendance
augmentation globale du trafic de 59 p. 100 : 157 p. 100 de plus pour le charbon, 47 p. 100 de plus pour le bois d'œuvre et 13 p. 100 de moins pour les copeaux de bois

Marchandises livrées

volume
11,1 millions de tonnes, soit 6 p. 100 de tout le trafic de 1988, ont été livrées dans la région

produits principaux
deux produits ont dépassé le demi-million de tonnes : les copeaux de bois, 25 p. 100, et les bases inorganiques (ammoniac anhydre et soude caustique), 8 p. 100

ALBERTA

Marchandises expédiées

volume
40,8 millions de tonnes, soit 20 p. 100 de tout le trafic de 1988, provenaient de l'Alberta

produits principaux
15 produits représentaient chacun un volume de plus d'un demi-million de tonnes : le charbon, 22 p. 100; le soufre, 17 p. 100; le blé, 13 p. 100

destinations
80 p. 100 du charbon exporté par les ports de la côte ouest et 20 p. 100 vers l'Ontario; 88 p. 100 du soufre expédié à l'étranger; 94 p. 100 du blé exporté, surtout par les ports de la côte ouest

CN et CP Rail
Le volume de trafic assumé par le CN a été de 87 p. 100 plus important que celui de CP Rail

tendance
augmentation globale du trafic de 20 p. 100 : 27 p. 100 de plus pour le charbon, 3 p. 100 de moins pour le soufre, 35 p. 100 de plus pour le blé; augmentations importantes aussi pour les produits de la pétrochimie

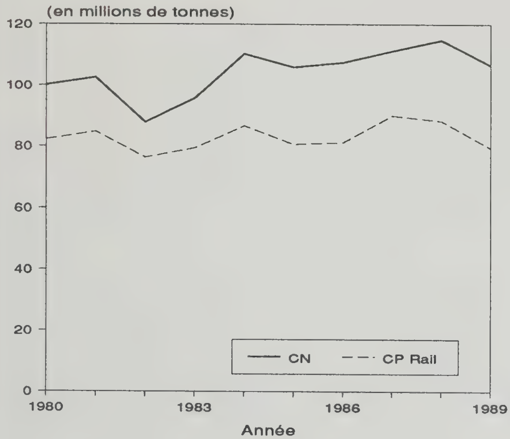
Marchandises livrées

volume
6,7 millions de tonnes, soit 3 p. 100 de tout le trafic

produits principaux
deux produits ont dépassé le demi-million de tonnes : le phosphate minéral, 15 p. 100 et la pierre à chaux broyée, 10 p. 100

9,9 p. 100. Le recul est attribuable à une importante réduction du volume de certaines des principales marchandises en vrac. Cette diminution de près de 17 millions de tonnes est le résultat d'un fléchissement de la demande dans toutes les régions, mais près de la moitié de la perte est attribuable à la baisse du trafic céréalier en Saskatchewan. En Alberta, la diminution a été de près de 3 millions de tonnes, alors qu'un dixième de la réduction totale s'est produite dans chacune des deux provinces de la Colombie-Britannique et du Manitoba.

GRAPHIQUE 4.1 : VOLUME TOTAL DES MARCHANDISES TRANSPORTÉES



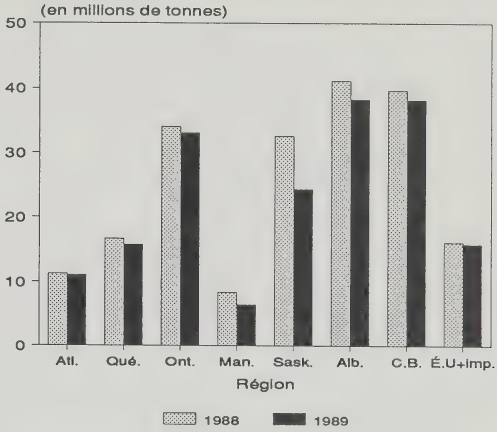
Source : Bandes magnétiques fournies par les compagnies ferroviaires

Une comparaison des modifications survenues dans le trafic de chaque compagnie, dans chacune des régions, indique que le CN a connu, en chiffres absolus, une baisse beaucoup plus considérable que CP Rail en Colombie-Britannique, tandis que CP Rail a enregistré un recul important en Ontario, où le trafic du CN restait à peu près stable. De plus, le trafic du CN a beaucoup diminué dans la région de l'Atlantique, tandis que celui de CP Rail augmentait.

Un examen du transport de certaines marchandises expliquant la baisse de trafic en 1989, révèle ce qui suit :

- Le trafic céréalier a connu une chute très importante (environ 40 p. 100) à cause de la grave sécheresse qui a frappé les Prairies à l'été de 1988. Étant donné que les réserves de blé étaient

GRAPHIQUE 4.2 : TRAFIC DU CN ET DE CP RAIL PAR RÉGION D'ORIGINE



Source : Bandes magnétiques fournies par les compagnies ferroviaires

considérables au moment de la sécheresse, ses effets ne se sont pas pleinement fait sentir avant 1989. Comme la sécheresse a touché plus durement le sud des Prairies, zone desservie davantage par CP Rail que par le CN, le transporteur privé a été plus touché que le second. À lui seul, le blé a représenté plus des trois cinquièmes de la baisse nette du trafic de CP Rail en 1989.

- Les expéditions de soufre du CN et de CP Rail ont aussi beaucoup diminué en 1989, surtout au cours du premier semestre. La baisse s'explique presque entièrement par une réduction des exportations, notamment vers le Maroc, où la demande de soufre, servant à la production d'engrais, s'est effondrée en raison d'un long différend contractuel avec l'Inde au sujet du commerce des engrais.

- La baisse a été de 14 p. 100 pour la potasse, et le CN a été plus durement touché que CP Rail. Il semblerait que les marchés des engrais aient subi le contrecoup des mauvaises conditions de plantation qui prévalaient en Amérique du Nord au printemps ainsi que d'un accroissement de la production à l'étranger.

- En 1989, le charbon a été de loin la marchandise qui a assuré les plus forts volumes de trafic tant au CN qu'à CP Rail, soit 20 p. 100 du trafic total.

RÉFORME DE LA RÉGLEMENTATION

La LTN 1987 autorise la négociation de contrats confidentiels, offre aux expéditeurs un meilleur accès à des services concurrentiels et modifie la procédure d'abandon de lignes de chemin de fer.

Les dispositions de la LTN 1987 relatives aux chemins de fer tendent à procurer des avantages aux expéditeurs canadiens en favorisant une concurrence plus vigoureuse dans le secteur des transports et en allégeant, pour les chemins de fer, le fardeau de la réglementation.

Expéditeurs et compagnies ferroviaires peuvent désormais conclure des contrats confidentiels en négociant des tarifs et des conditions adaptés aux besoins de chaque expéditeur. De plus, la Loi a aboli le système d'établissement collectif des tarifs.

D'autres dispositions sont avantageuses pour les expéditeurs, par exemple l'accès à plusieurs chemins de fer au moyen de prix de ligne concurrentiels, l'élargissement des limites d'interconnexion, l'intervention officielle ou officieuse de l'Office pour régler les différends avec les compagnies ferroviaires et un mécanisme d'appel d'intérêt public plus souple.

La nouvelle loi établit en outre une procédure plus efficace d'abandon d'embranchements et prévoit de nouvelles options telles que la cession de lignes à des exploitants indépendants ou encore, le financement de moyens de transport de remplacement.

STRUCTURE DE L'INDUSTRIE

Le secteur du transport ferroviaire des marchandises est dominé par le CN et CP Rail.

Au Canada, les chemins de fer sont classés selon leur taille dans deux catégories : la classe I et la classe II. Ces dernières années, les deux compagnies les plus importantes, le CN et CP Rail, se sont approprié environ 90 p. 100 des recettes tirées du transport ferroviaire de marchandises, les recettes du CN étant d'un tiers supérieures à celles de CP Rail. L'écart est encore plus marqué lorsque l'on compare les actifs et le nombre d'employés.

De façon générale, les chemins de fer de classe II se classent dans l'une de trois catégories :

- les compagnies régionales, comme Quebec North Shore and Labrador, Ontario Northland, Algoma Central et BC Rail, qui transportent presque uniquement des produits miniers et forestiers;
- les compagnies appartenant à des filiales américaines, telles Burlington Northern, Conrail et CSX Transportation;
- les compagnies d'acheminement terminal ou de connexion, qui assurent le transport des marchandises entre les entreprises établies le long de leurs propres lignes et des lignes principales du CN et de CP Rail, par exemple Essex Terminal Railway et Southern Railway of British Columbia.

Certaines compagnies de la classe II, comme BC Rail, sont de ressort provincial, mais la plupart d'entre elles sont assujetties, tout comme le CN et CP Rail, aux dispositions de la LTN 1987. Le présent examen a pour objet principal les activités des deux transporteurs de marchandises de classe I, le CN et CP Rail.

TRAFIC

Le trafic des deux chemins de fer nationaux a accusé une baisse importante en 1989.

Depuis une dizaine d'années, comme le montre le graphique 4.1, la croissance du trafic du CN et de CP Rail n'a pas été soutenue d'année en année, en raison de facteurs tels que les ralentissements économiques et les graves sécheresses ayant eu de lourdes répercussions sur le trafic ferroviaire. Comme il n'est pas facile pour les compagnies ferroviaires de réduire leurs frais lorsque le trafic est à la baisse, toute fluctuation de celui-ci a un effet notable sur les bénéfices nets.

Au cours des vingt dernières années, la nature des marchandises transportées par chemin de fer a changé considérablement. Le vrac (charbon, potasse, bois d'œuvre, soufre, copeaux de bois, gypse, pâte à papier et papier journal) représente la moitié du trafic total, si on exclut les expéditions de grain visées par des dispositions législatives.

La majeure partie de ces marchandises en vrac est destinée aux marchés d'outre-mer et aux États-Unis (pour plus d'information sur le trafic régional, voir le tableau 4.1).

Le trafic ferroviaire a subi une baisse appréciable en 1989, après les volumes records enregistrés en 1988 et 1987, pour s'établir aux niveaux de volumes du milieu des années 1980. Au CN, la diminution a été de plus de 8,2 millions de tonnes, soit 7,2 p. 100, tandis que chez CP Rail, elle était de 8,7 millions, ou

LES SERVICES FERROVIAIRES

FAITS SAILLANTS DE 1989

Exploitation

Le trafic ferroviaire du CN et de CP Rail a subi une baisse très marquée en 1989, ce qui s'est traduit par une importante diminution des bénéfices nets des deux compagnies.

Incidence de la nouvelle législation

Les contrats confidentiels ont connu le même succès en 1989 se traduisant par un dépôt deux fois supérieur à celui de 1988. En outre, plus des deux tiers du trafic ferroviaire non céréalier ont été acheminés selon les conditions de ces contrats.

Les expéditeurs ont souligné que les dispositions sur l'accès à des services concurrentiels ont été des atouts importants dans leurs négociations avec les chemins de fer.

Initiatives nouvelles

Des initiatives entreprises dans les années antérieures, comme l'exploitation de trains sans fourgon de queue et le tunnel de Rogers Pass ont été réalisées et un certain nombre d'initiatives nouvelles ont été prises.

Rationalisation

En 1989, l'Office a autorisé l'abandon de quelque 1 300 milles de voies. L'interprétation étroite faite de l'article 175 de la LTN 1987 continue de préoccuper vivement les provinces, les expéditeurs et les compagnies ferroviaires.

TABLEAU 3.10
Statistiques d'exploitation

	AIR CANADA		CANADIEN*	
	1989	Écart en % par rapport à 1988	1989	Écart en % par rapport à 1988
Passagers transportés (en milliers)	11 321	(17,2)	9 031	(12,1)
Passagers-kilomètres payants (en milliers)	23 917 389	4,8	22 917 442	(1,4)
Sièges-kilomètres disponibles (en milliers)	34 763 309	7,6	33 820 790	(0,2)
Tonnes-kilomètres de fret (en milliers)	864 957	9,3	536 387	15,7
Coefficient de remplissage	68,8%	(2,6)	67,8%	N.d.

* Comprend Wardair

Note: ( ) Les parenthèses indiquent un chiffre négatif.

Source: Centre des statistiques de l'aviation

de 1990, a ramené ce nombre à 46, quatre appareils ayant été retirés du service.

PERFORMANCE DES TRANSPORTEURS

Air Canada a enregistré des revenus nets sans précédent en 1989, tandis que la fusion de Wardair et de Canadien s'est soldée par une perte d'exploitation pour PWA.

Air Canada a déclaré des bénéfices nets de 149 millions de dollars en 1989. Ce chiffre record s'explique en partie par l'augmentation des recettes tirées du transport des passagers sur les marchés internationaux et intérieurs, jumelée à une amélioration des résultats de ses affiliés régionaux. À noter également, les 86 millions de dollars tirés de la vente de ses intérêts dans Guiness Peat Aviation. Les frais d'exploitation ont subi une hausse de 8 p. 100, qui est attribuable à l'augmentation du prix du carburant, des locations d'appareils, des salaires et des commissions de vente.

Les affiliés régionaux d'Air Canada et de Canadien ont connu une forte augmentation de leurs recettes et de leurs frais d'exploitation, étant donné qu'ils continuent d'accroître le champ de leurs opérations. Comme groupe, les compagnies affiliées ont enregistré une croissance exceptionnelle en 1989. Leur capacité a augmenté de 70 p. 100 et elles ont transporté 45 p. 100 de passagers de plus qu'en 1988.

Les statistiques d'exploitation préliminaires publiées par Air Canada et Canadien (Wardair comprise) traduisent les efforts soutenus de ces grands transporteurs pour se concentrer sur les liaisons long-courrier tant intérieures qu'internationales, céder les marchés moins actifs aux transporteurs affiliés et adapter la capacité de leurs flottes aux prévisions de la demande.

TABLEAU 3.8
Composition de la flotte des grands transporteurs

	1988	1989	En commande
Air Canada	6 DC-8 (cargo) 14 L-1011 33 B-727 6 B-747 19 B-767 36 DC-9 114	6 DC-8 (cargo) 14 L-1011 33 B-727 6 B-747 21 B-767 35 DC-9 115	38 A-320 3 B-747-400 6 B-767-300ER 47
Canadien international	66 B-737 13 DC-10 1 F-27 2 Electra 4 B-767ER 87	52 B-737** 11 DC-10 12 A-310 2 B-747 8 B-767-300 85	3 B-747-400 17 A-320 4 B-767-300ER 24
Wardair*	3 B-747 1 DC-10 12 A-310 2 A-300 18	- - - -	

* Intégration des flottes de Wardair et de Canadien en 1989.

** Canadian North, division des Lignes aériennes Canadien international, possède 8 B-737; cette division est considérée comme un transporteur régional affilié.

Source: Centre des statistiques de l'aviation, Rapports des transporteurs

TABLEAU 3.9
Résultats financiers consolidés

	AIR CANADA*		PWA **	
	1988	**1989**	**1988**	**1989**
Recettes d'exploitation	3 426	3 676	2 301	2 668
Dépenses d'exploitation	3 312	3 553	2 223	2 678
Revenus d'exploitation (perte)	114	123	78	(10)
Bénéfice net (perte)	89	149	30	(56)

PWA a déclaré une perte nette de 56 millions de dollars en 1989, perte attribuable à la décision d'imputer quelque 74 millions de dollars de frais d'intégration non récurrents liés à la fusion de Canadien et Wardair.

* Les résultats déclarés par Air Canada en 1988 ont été redressés de façon à tenir compte des voyages accordés dans le cadre de son programme de grands voyageurs, Aeroplan.

** Les résultats de PWA tiennent compte aussi bien des Lignes aériennes Canadien international que de Wardair.

Note: ( ) Les parenthèses indiquent un chiffre négatif.

Source: Rapports annuels de 1989 d'Air Canada et de PWA Corp.

quatre autres. La valeur des trois appareils, y compris les pièces de rechange, s'élève à 600 millions de dollars et les dates de livraison s'échelonnent entre la fin de 1990 et le début de 1991. La compagnie a aussi commandé 6 B-767-300ER pour remplacer 6 de ses 14 L-1011-500. C'est surtout pour réduire ses frais d'exploitation et par souci d'efficacité qu'elle a choisi les B-767-300ER, car l'exploitation de ces appareils coûte 25 p. 100 moins cher et ils ont une portée de 15 p. 100 supérieure à celle des L-1011 actuellement en usage. Les six B-767-300ER qui seront déployés sur des liaisons comme celles de Toronto-Londres et Toronto-Francfort sont évalués à 700 millions de dollars. Les trois Boeing 747-400 et les six Boeing 767-300ER commandés par Air Canada en 1989 représentent une dépense de 1,3 milliard de dollars.

Lignes aériennes Canadien international

La rationalisation des flottes de Wardair et de Canadien après l'acquisition de Wardair par PWA, a constitué un remaniement important de la flotte en 1989. Cherchant à réduire la dette à long terme contractée pour acquérir Wardair, PWA a annoncé la vente de la flotte de ce transporteur (2 B-747 et 12 A-310) à trois compagnies américaines de location pour la somme de 900 millions de dollars. Selon le calendrier de livraison, quatre A-310 et deux B-747 quitteront la flotte en 1990, cinq A-310 en 1991 et trois autres A-310 en 1992. Un autre B-747 de Wardair a été vendu à l'automne de 1989. Plus tôt au cours de la même année, Wardair avait commencé à vendre ses appareils. Elle annonçait en juin qu'elle cédait ses dates de livraison de ses 16 appareils MD-88 à Polaris Leasing et celles des deux appareils A-310-300 à Air France pour le montant de 28,2 millions de dollars. Elle a aussi annulé une commande de 16 Fokker 100.

Au cours de 1989, Canadien a réduit encore davantage sa flotte en retirant du service deux DC-10-30 et six B-737. Les DC-10 ont été remplacés par les B-767 mis en service en 1989.

Tout comme Air Canada, les Lignes aériennes Canadien international attendent la livraison de trois B-747-400. Canadien prévoit déployer ses B-747-400 sur les liaisons Vancouver-Hong-kong, Toronto-Tokyo et Toronto-Hong-kong. La compagnie a pris livraison de quatre B-767-300ER au cours de 1989 et converti en commandes des options sur quatre autres B-767-300ER. Au fur et à mesure de leurs livraisons, les B-747-400 et les B-767-300 remplaceront les DC-10-30.

Le tableau 3.8 décrit la composition de la flotte des grands transporteurs et propose une comparaison entre 1988 et 1989.

Transporteurs affiliés

Tous les transporteurs régionaux affiliés ont élargi leur flotte en 1989 en achetant des avions à réaction et à turbopropulsion. Dans le groupe Air Canada, NWT Air a acheté des B-737, Air Ontario a opté pour une flotte composée uniquement de Dash-8, Air Nova a pris livraison de l'avion à réaction Bae-146 et de Dash-8 supplémentaires, Air Alliance a triplé sa flotte, qui est passée de trois à neuf Dash-8, AirBC a reçu des Dash-8 et des Bae-146 supplémentaires et Air Toronto a ajouté 31 avions à turbopropulsion Jetstream. Les affiliés de Canadien ont donné une expansion semblable à leur flotte. Ainsi, Air Atlantic a élargi sa flotte de Dash-8 et commandé des avions à réaction (Bae-146), tandis qu'Ontario Express prenait livraison d'appareils ATR-42 et commandait d'autres appareils de même type, des ATR-72 et des Brazilia 120. Frontier Air a commandé des Beech 1900C pour desservir les petits marchés du nord de l'Ontario au moyen d'appareils modernes à turbopropulsion. Dans l'Ouest, Time Air a ajouté des Dash-8 et des Dash-8-300 à sa flotte, tandis que celle de Calm Air restait inchangée.

La valeur des nouveaux avions livrés aux transporteurs d'apport ou commandés par eux et des options qu'ils ont prises sur de futures livraisons, a avoisiné les 2 milliards de dollars en 1989.

Transporteurs indépendants

Au cours de 1989, plusieurs transporteurs indépendants ont aussi remanié considérablement leur flotte. Intair a augmenté sa flotte, qui est passée de 23 à 31 appareils. La compagnie a pris livraison d'avions ATR-42, Fokker 100 et Metro III. Air Creebec et Air Manitoba ont donné plus d'importance à leur flotte d'avions à turbopropulsion en ajoutant des Dash-8 à leurs HS-748. City Express a poursuivi l'exploitation d'une flotte normalisée de quatre Dash-7 et de quatre Dash-8. First Air n'a rien changé à sa flotte, qui se compose des appareils suivants : B-727, HS-748, Beaver, Twin Otter, Single Otter et Dash-7. Ce qui est le plus significatif, dans la composition de la flotte des indépendants, c'est qu'elle se rapproche fortement des stratégies suivies par les affiliés régionaux.

Malgré l'effondrement de certains fréteurs, le secteur indépendant de l'affrètement d'avions à réaction demeurait vigoureux à la fin de 1989, car les transporteurs indépendants qui restaient, avaient ajouté de gros avions à réaction à leur flotte. En décembre 1989, ces transporteurs indépendants exploitaient 50 gros avions à réaction alors qu'ils n'en avaient que 33 en 1988. L'interruption des activités de Vacationair, de Points of Call et de Crownair, au début

15 p. 100 en 1989 pour atteindre une moyenne de sept. Les passagers voyageant entre Iqaluit, Yellowknife et Cambridge Bay ont profité d'un choix exceptionnellement vaste de tarifs réduits grâce à une plus vive concurrence entre les trois transporteurs qui desservent ces liaisons. La proportion des passagers voyageant à rabais a atteint un nouveau sommet de près de 47 p. 100.

Le plein tarif Économie a subi une hausse moyenne de 6,3 p. 100, ce qui est inférieur à l'augmentation enregistrée dans le Sud, mais tout de même plus fort que la hausse de l'indice des prix à la consommation (5 p. 100). Sur les liaisons étudiées, le tarif Affaires était quasi inexistant.

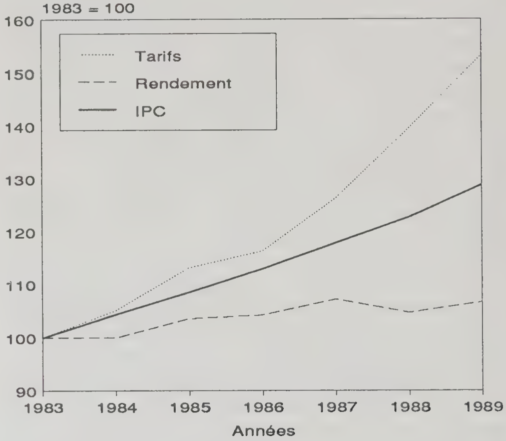
Rendement par passager

La mesure la plus efficace de l'incidence réelle des augmentations des tarifs des classes Affaires et Économie, alliées à une structure de tarifs réduits en constante évolution, consiste à établir le revenu moyen que les transporteurs touchent par passager-kilomètre (couramment appelé le « rendement »). Cette mesure tient compte de l'ensemble des tarifs dans tout le réseau ainsi que de tous les passagers transportés.

Pour les trois premiers trimestres de 1989, le rendement moyen d'Air Canada, de Canadien et de Wardair avait augmenté de moins de 2 p. 100 par rapport à 1988, alors qu'il avait diminué l'année précédente. Le rendement obtenu par les affiliés régionaux a été inégal en 1989 en raison de l'incidence proportionnellement plus forte des modifications apportées à leurs opérations comme les nouvelles liaisons, l'accroissement de leur flotte et l'augmentation de la fréquence de leurs vols.

Depuis 1983, les revenus moyens par passager-kilomètre chez les grands transporteurs canadiens ont augmenté moins rapidement que l'indice des prix à la consommation et beaucoup moins vite que les tarifs des classes Affaires et Économie. En d'autres termes, les augmentations nominales de tarif ne se sont pas traduites par une progression comparable du rendement. Cette situation est partiellement attribuable à la réorientation des services des principaux transporteurs vers les trajets de longue distance lesquels offrent un rendement moyen inférieur; cela indique aussi que les consommateurs utilisent les services aériens en cherchant à profiter davantage des réductions tarifaires offertes.

GRAPHIQUE 3.12: TARIFS DES CLASSES AFFAIRES ET ÉCONOMIE, REVENUS PAR PASSAGER-KM ET INDICE DES PRIX À LA CONSOMMATION



Sources : Official Airline Guides; Airline Tariff Publishing Company

Flotte

En 1989, les programmes de modernisation des flottes ont fait partie d'une stratégie corporative visant une plus grande souplesse dans le déploiement des appareils et la compression des frais d'exploitation.

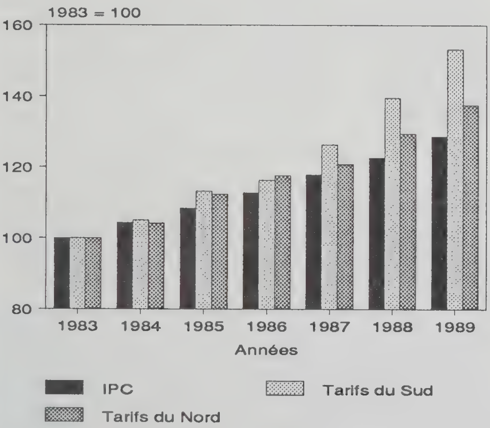
Air Canada

En 1989, Air Canada a pris livraison de deux nouveaux appareils B-767-200 et a retiré un DC-9 de son service. À la fin de l'année, sa flotte comprenait 115 appareils. Les 33 B-727 et 35 DC-9 ont été utilisés surtout sur les liaisons de courte ou moyenne distance en Amérique du Nord. Les 14 Lockheed L-1011 et les 6 Boeing 747 qu'elle possède ont servi sur les routes internationales très achalandées tandis que ses 21 Boeing 767 ont été affectés sur les marchés moins actifs de l'Atlantique Nord, sur les marchés des longs courriers transcontinentaux et transfrontaliers. Six appareils DC-8 ont été utilisés exclusivement pour le transport du fret. Les premiers A-320 qu'Air Canada a commandés en juillet 1988 pour remplacer ses B-727, doivent être livrés en 1990.

En prévision des services qu'elle entend offrir sur plusieurs liaisons transpacifiques comme Toronto/Vancouver-Seoul/Singapour, Air Canada a commandé trois B-747-400 et pris des options sur

l'augmentation a été inférieure à la moyenne soit de 10 p. 100 pour la classe Affaires et de 8 p. 100 pour la classe Économie. Le nombre de tarifs réduits a fait un bond, passant d'une moyenne de 14 par liaison en 1987 à près de 25 en 1988 pour ensuite retomber à environ 16 en 1989. La proportion des passagers voyageant à tarif réduit sur ces routes a aussi diminué en 1989, mais un examen plus approfondi démontre que cette proportion sur les liaisons de longue distance comme Toronto-Winnipeg, Toronto-Calgary, Toronto-Edmonton, Toronto-Vancouver, Winnipeg-Edmonton et Ottawa-Edmonton est demeurée stable, à 68 p. 100 en moyenne, la véritable baisse se produisant dans le couloir Toronto-Ottawa-Montréal. Sur ces dernières liaisons, il y a toujours eu beaucoup de voyages d'affaires et une proportion plus faible de passagers voyageant à tarif réduit, mais, pendant la période de concurrence intense de 1988, même les voyageurs d'affaires profitaient de tarifs réduits, la proportion des passagers voyageant à rabais atteignant 60 p. 100. Cette proportion a été ramenée à environ 46 p. 100 en 1989, ce qui marque un retour à la situation antérieure, où les personnes qui voyagent par obligation ou pour affaires ne peuvent profiter des tarifs réduits en raison des contraintes dont ils sont assortis.

GRAPHIQUE 3.11 : SERVICES RÉGULIERS, TARIFS MOYENS DES CLASSES AFFAIRES ET ÉCONOMIE



Sources : Official Airline Guides; Airline Tariff Publishing Company

Sur les 25 liaisons les plus achalandées (ce qui comprend plusieurs liaisons autrefois desservies par Wardair), les prix ont suivi les mêmes tendances générales : augmentations supérieures à la moyenne de tous les tarifs de Wardair et hausses inférieures à la moyenne pour la grande majorité des tarifs Affaires et Économie de tous les transporteurs sauf Wardair. Là aussi, le nombre de tarifs réduits a diminué après le niveau record atteint en 1988, s'établissant à 13, ce qui est tout de même bien supérieur aux chiffres de 1987. La proportion des passagers voyageant à tarif réduit est demeurée à peu près inchangée par rapport à l'année précédente.

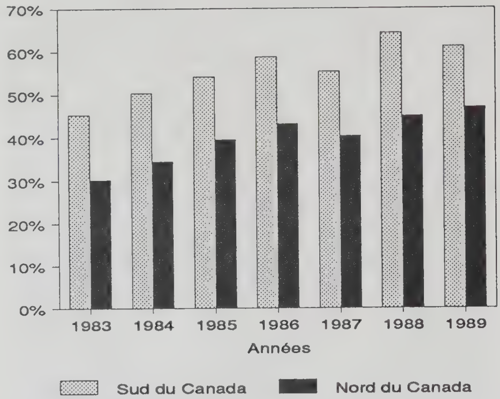
La stratégie de réduction de prix qui a caractérisé l'année 1988 ne se limitait pas aux anciennes liaisons de Wardair ni même aux liaisons interurbaines très achalandées. En 1989, la concurrence sur les tarifs, surtout sous la forme d'une gamme de tarifs avec réduction d'importance variable, s'est généralisée à l'ensemble du réseau national et des réseaux régionaux tandis que, dans de nombreuses régions, elle était en plein essor.

Sur les 32 liaisons qu'Air Canada et Canadien ont cédées à leurs affiliés régionaux, le nombre des tarifs réduits a plus que doublé en 1988, s'établissant en moyenne à plus de huit par liaison, et est resté stable en 1989. Sur certaines liaisons comme Dryden-Thunder Bay, Cranbrook-Calgary et Québec-Sept-Îles, les voyageurs peuvent maintenant choisir entre 10 ou 12 tarifs réduits par liaison. Sur la plupart de ces routes, il n'y avait pas de tarif Affaires et le tarif Économie a augmenté en moyenne de 9,1 p. 100, ce qui est légèrement supérieur au taux général.

Les 36 autres liaisons du sud du Canada comprises dans l'échantillon, représentent des lignes principales et des services régionaux et locaux. Là aussi, le nombre des tarifs réduits offerts en 1989 est demeuré stable (une moyenne de près de 10 par liaison). Il a été observé que l'importance du choix de tarifs réduits n'étaient pas fonction du volume du trafic des marchés. Ainsi, les passagers des liaisons Campbell River-Vancouver, Îles-de-la-Madeleine-Québec et Sudbury-Montréal ont eu droit à des choix aussi nombreux que ceux de la liaison Toronto-Vancouver. L'augmentation moyenne des tarifs Affaires et Économie sur ces 36 liaisons a été légèrement inférieure à la moyenne générale.

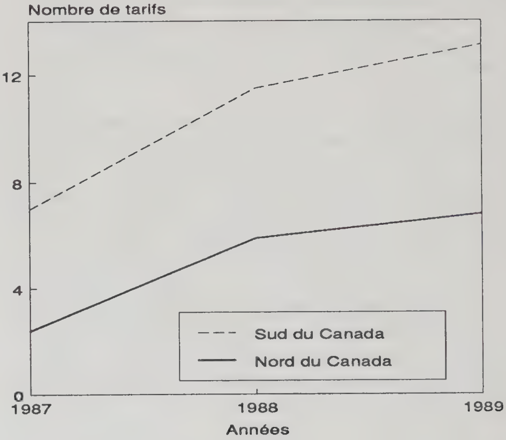
Les tarifs passagers ont été analysés sur 32 liaisons du nord du Canada ou reliées à des destinations comprises dans la zone désignée du Nord. De façon générale, l'offre de tarifs réduits et les proportions des passagers qui en profitent sont moindres sur les liaisons du Nord, mais la situation va en s'améliorant. Le nombre de tarifs réduits offerts par liaison a plus que doublé en 1988 et a encore augmenté de

GRAPHIQUE 3.9 : POURCENTAGE DES PASSAGERS VOYAGEANT À TARIF RÉDUIT SUR LES SERVICES RÉGULIERS



Source : Statistique Canada, Enquête sur les bases tarifaires (1989 chiffres estimatifs)

GRAPHIQUE 3.10 : SERVICES RÉGULIERS NOMBRE MOYEN DE TYPES DE TARIFS RÉDUITS PAR ROUTE



Sources : Official Airline Guides; Airline Tariff Publishing Company

les passagers au Canada profitent de tarifs réduits et ont accès à un vaste choix de prix.

L'examen d'un échantillon de 125 liaisons aériennes révèle que le nombre moyen de différents tarifs réduits[3], sur chaque liaison, est passé d'un peu moins de 6 en 1987 à 10 en 1988 et à un sommet de 11 en 1989. Dans le sud du Canada, cette même moyenne a presque doublé en trois ans, passant de 7 à plus de 13. Pendant le deuxième semestre de 1989, est venu s'ajouter à ces tarifs réduits un nombre appréciable de tarifs bon marché sur les vols affrétés de longues liaisons intérieures entre Toronto et les villes comme Calgary, Edmonton, Vancouver, Halifax, Charlottetown et St. John's.

Le choix des tarifs réduits a été plus grand que jamais en 1989 et la proportion des passagers profitant de ces tarifs a dépassé les 70 p. 100 sur plusieurs liaisons de longue distance comme Toronto-Vancouver, Ottawa-Edmonton, Toronto-St.John's, Toronto-Calgary et Toronto-Edmonton. En 1989, les fréteurs ont offert les tarifs les plus bas sur les routes intérieures; grâce aux nouveaux choix de tarifs qu'ils ont offerts, le passager discrétionnaire pouvait encore faire le trajet aller-retour Toronto-Vancouver pour 299 $.

L'augmentation des tarifs des classes Affaires et Économie s'est fait par étapes. En plus du réalignement de la structure tarifaire de Wardair avec celle de Canadien, il y a eu deux hausses générales d'environ 4 p. 100 chacune. Une troisième augmentation générale a été annulée, Air Canada ayant choisi de ne pas suivre l'exemple de son concurrent. Le résultat net, sur les liaisons du sud du Canada, a consisté en une augmentation moyenne de 8,2 p. 100 du plein tarif Économie. Le tarif Affaires a subi une plus forte hausse, soit d'environ 12,7 p. 100 en moyenne. Depuis 1983, les tarifs des classes Affaires et Économie ont toujours augmenté, sauf une année, plus rapidement que l'indice des prix à la consommation. La tendance s'est maintenue en 1989.

Sur les huit liaisons de Wardair, le réalignement de sa structure tarifaire dont les tarifs étaient plus bas au départ, a entraîné des hausses des tarifs Affaires et Économie bien plus fortes que la moyenne. Cependant, la plus forte proportion de ces tarifs se retrouve chez Air Canada et Canadien, où

[3] Aux fins de l'analyse, les **tarifs réduits** sont ceux offerts à un passager adulte pendant la période visée; généralement, ils comportent des exigences comme l'achat à l'avance, un séjour minimum ou maximum ou l'exclusion de la période de pointe. Ont été laissés de côté, tous les autres tarifs réduits prévus, entre autres, pour des forfaits, des voyagistes, des agents de voyage, des groupes, les enfants, les personnes âgées, les étudiants, les passagers en attente.

le service n'avait pas changé alors que pour certains (21 p. 100), il s'est amélioré. De légères améliorations dans le nombre des transporteurs desservant les marchés et dans le temps de transit, ont été signalées. Quant aux tarifs, les répondants ont déclaré qu'il y avait eu une augmentation moyenne de 2,7 p. 100 du coût unitaire.

Le retrait des services par avion à réaction des grands transporteurs à certains endroits dans les provinces de l'Atlantique, en 1989, a eu, dans un premier temps, un effet défavorable sur la capacité de transport de fret. Si, dans les services passagers, l'arrivée des appareils à turbopropulsion des transporteurs affiliés a pu combler adéquatement le vide causé par l'absence de services par avion à réaction, ces petits appareils n'ont pas toujours été en mesure d'assurer le transport de tout le fret aérien. Néanmoins, les changements effectués au niveau des opérations de fret aérien semble avoir permis de répondre adéquatement à la demande.

Tarifs

Les tarifs des classes Affaires et Économie ont augmenté plus rapidement que l'indice des prix à la consommation, mais près de deux passagers sur trois profitent encore, dans leurs déplacements, de tarifs réduits.

La plupart des tarifs aériens ont augmenté en 1989, étant donné que les compagnies aériennes ont essayé de rétablir leur situation après les coûteuses guerres de prix de l'année précédente. Certains facteurs qui ont été à l'origine de ces guerres tarifaires de 1988 sont disparus, car Air Canada a reconquis la part de marché qui lui avait échappé à la suite de la grève de décembre 1987, et PWA a repris Wardair qui était en difficulté. Plus important encore, les transporteurs ont fait face à de nouvelles pressions pour améliorer leur rentabilité, compte tenu de la livraison prochaine d'appareils neufs coûtant des milliards de dollars. Air Canada et Canadien ont agi tant sur les dépenses que sur les recettes, en réduisant les coûts et en accroissant les tarifs pour améliorer leur rentabilité.

Le relèvement des tarifs n'a pas eu les mêmes conséquences sur tous les passagers. Comme le montre l'enquête de l'Association des voyageurs de commerce, la plupart des passagers de la classe Affaires souhaitent avoir de meilleurs services et se préoccupent moins des prix. D'autres personnes qui doivent obligatoirement voyager, n'ont guère d'autre choix que de payer le tarif ordinaire de la classe Économie. Néanmoins, près des deux tiers de tous

STRUCTURES TARIFAIRES

Les structures tarifaires des compagnies aériennes sont aujourd'hui très complexes, mais on peut les simplifier en les regroupant sous trois grandes classes.

Le tarif de la classe Affaires, le plus élevé des trois, a en grande partie remplacé la première classe sur les marchés intérieurs. Les passagers reçoivent des services supplémentaires à bord et ont droit à un plus grand confort. Ce tarif est généralement proposé sur les liaisons de navette. Il est de 12 à 15 p. 100 plus élevé que le plein tarif de la classe Économie.

Le tarif de la classe Économie, ou tarif de base, est le plus bas tarif offert sans restriction. C'est normalement celui que paie le client qui voyage par obligation et qui ne peut pas ou ne veut pas satisfaire aux conditions dont sont assortis les divers tarifs réduits.

Les tarifs réduits s'établissent à différents niveaux, en bas du tarif de base (les réductions peuvent aller jusqu'à 70 p. 100) et ils sont offerts sur presque toutes les liaisons. Ils font cependant l'objet de restrictions quant à leur nombre et ils sont assujettis à diverses contraintes, par exemple achat à l'avance, durée minimum ou maximum du séjour, non-remboursement, non-utilisation en période de pointe. La nature des restrictions est généralement fonction de l'importance du rabais. En 1989, près de deux passagers sur trois voyageaient toujours à tarif réduit.

L'offre de tarifs réduits est de plus en plus contrôlée par des systèmes perfectionnés de rentabilisation de la capacité qui sont liés aux systèmes informatisés de réservation et visent à accroître les recettes des compagnies aériennes. Les ventes de billets font l'objet d'une surveillance constante et des rajustements sont apportés à l'offre et à l'importance des rabais de manière à obtenir pour chaque vol le nombre optimal de passagers. Ces systèmes sont utilisés à longueur d'année alors que d'autres sources de rabais, comme les soldes de places, ont un caractère plus saisonnier.

sentiment de satisfaction général se faisaient sentir dans la région de l'Atlantique grâce à l'excellence des services en place permettant l'aller-retour le même jour, à l'augmentation du nombre des vols quotidiens entre les villes de la région de l'Atlantique, à l'accroissement des destinations desservies par vol direct, des nouveaux transporteurs qui pénètrent le marché et à l'amélioration des installations et infrastructures aéroportuaires. Le secteur du transport aérien s'est acquis une réputation fort acceptable dans les provinces de l'Atlantique et même en dehors de cette région parce que ses résultats sont excellents tant en ce qui concerne la ponctualité des services et la fiabilité des opérations qu'en ce qui concerne le vaste choix des heures de départ ainsi que la qualité et la courtoisie des services à bord dont on fait montre.

Fret

Les services de fret aériens jouent un rôle plus important depuis quelques années. Selon l'enquête menée par l'Office auprès des expéditeurs, près de la moitié de ces derniers font appel au transport aérien pour, en moyenne, un peu plus de 10 p. 100 de leurs expéditions, ce qui est plus élevé qu'en 1988. Plus d'expéditeurs ont déclaré utiliser les services réguliers des avions tout cargo que les soutes des avions servant au transport des passagers. Plus rares encore ont été ceux qui disent avoir recours aux services d'affrètement. La plupart des expéditeurs ont dit avoir communiqué directement avec les transporteurs pour prendre les dispositions sur le transport de leur fret, mais les transitaires semblent s'affirmer comme intermédiaires importants entre transporteurs et expéditeurs.

Les niveaux de service, dans le secteur du fret aérien, sont liés à ceux des services aux passagers puisque la plupart des marchandises sont transportées dans les soutes des avions servant au transport des passagers ou dans des avions aménagés pour du transport mixte. Même si la flotte de Wardair a été fusionnée avec celle de Canadien et rationalisée, la capacité de transport de fret des deux grands transporteurs a augmenté en 1989 grâce à l'espace supplémentaire des soutes des B-767, appareils livrés en cours d'année. En outre, les transporteurs régionaux ont ajouté une grande capacité de transport dans les soutes, lorsqu'ils ont pris livraison de leurs nouveaux appareils à réaction et à turbopropulsion. Air Canada demeure le seul transporteur de passagers à exploiter une flotte d'avions tout cargo.

Air Canada a pris des mesures pour améliorer son service de transport de fret en vendant les services « jour suivant » de Gelco Express à Purolator Courier pour 31 millions de dollars. En échange, elle a obtenu une participation de 22 p. 100 dans Purolator et le droit de transporter au Canada les colis de cette messagerie. Le marché des services « jour suivant » est le segment du marché du fret aérien qui croît le plus rapidement. Air Canada a aussi établi de nouveaux centres régionaux de transport du fret à Winnipeg et à Moncton, en plus de son service de transport tout cargo. La création de centres tout cargo partout au Canada lui a permis d'exploiter un réseau en étoile semblable à celui des services passagers.

Les Lignes aériennes Canadien international ont elles aussi beaucoup travaillé à la mise en marché de leurs services de fret. La compagnie a cherché à faciliter le transfert du fret entre elle-même et ses affiliés régionaux, permettant ainsi le maintien de services de fret compétitifs sur les grands réseaux partout au Canada. Elle a signé une entente avec Greyhound Canada dans laquelle celle-ci s'engage à assurer le soutien de la livraison dans tout l'ouest du Canada pour le service « jour suivant » particulièrement exigeant. Canadien a aussi amélioré ses moyens de livraison du fret dans le Nord en déployant 8 B-737 Combi par l'intermédiaire de sa division Canadian North.

First Air a continué d'exploiter des services mixtes et tout cargo dans tout son réseau au moyen d'appareils HS-748 et B-727. Intair étant devenue un transporteur indépendant, la capacité de transport dans les soutes augmentera dans l'est du Canada lorsque la compagnie prendra livraison de ses nouveaux appareils.

United Parcel Service (UPS) et Federal Express ont étendu leurs services de fret aérien à l'ensemble du Canada. En affrétant des appareils de petits exploitants canadiens, ces compagnies offrent maintenant un service complet d'un océan à l'autre et livrent concurrence aux autres transporteurs de fret aérien.

Les opérations de Canadian North, de First Air et de NWT Air représentent une capacité considérable de transport de fret aérien pour répondre à la demande croissante des expéditeurs du Nord et assurent une meilleure liaison avec les réseaux intérieurs et internationaux du Sud. Par ailleurs, les habitants de Keewatin, de Kitikmeot et du nord du Manitoba estiment que, si l'utilisation de plus en plus répandue de petits appareils permet de mieux servir les passagers, elle a une incidence négative pour les expéditeurs du Nord.

Selon l'enquête menée auprès des expéditeurs, le service de fret aérien s'est maintenu en 1988 et 1989. La plupart des expéditeurs (69 p. 100) ont estimé que

GRAPHIQUE 3.8
SERVICES DES GRANDS TRANSPORTEURS REMPLACÉS PAR LES AFFILIÉS RÉGIONAUX DEPUIS 1984

● Anciennes destinations d'Air Canada
➤ Anciennes destinations des Lignes aériennes Canadien international (et de ses prédécesseurs)

Source : Boeing Canada

Décembre 1989

TABLEAU 3.7
Échantillon de services repris par des transporteurs affiliés

Paires de villes	Vols sans escale par semaine 3e trim. 1983	3e trim. 1987	3e trim. 1988	3e trim. 1989	Nombre de places par semaine 3e trim. 1983	3e trim. 1987	3e trim. 1988	3e trim. 1989
Penticton-Vancouver	32	44	87	141	4 218	4 984	3 773	4 921
Grande Prairie-Edmonton	34	82	80	112	1 700	3 476	3 519	4 364
Gander-St. John's	34	69	94	128	3 876	3 418	4 472	5 458
Yarmouth-Halifax	14	26	28	50	1 624	1 484	1 480	2 294
Halifax-Stephenville	6	14	25	32	1 482	1 036	1 480	1 961
Sudbury-Toronto	28	75	172	146	3 248	5 966	7 110	6 314
Sept-Îles-Québec	50	82	89	57	5 229	6 792	5 842	3 447

Source : Official Airline Guides

Air Atlantic a aussi ajouté un nouveau vol à Wabush/Labrador City. En Ontario, Ontario Express a inauguré un service à Moosonee, assurant ainsi un autre lien avec le réseau nord-ontarien de sa propre affiliée, Frontier Air. Time Air s'est retirée de Dawson Creek (C.-B.) et de Wollaston Lake (Saskatchewan), mais elle a ajouté de nouveaux vols à Buffalo Narrows et Points North Landing (Saskatchewan). Calm Air a réduit son réseau septentrional en supprimant les services d'Island Lake et de Kelsey (Manitoba) tout en maintenant ceux de 23 autres destinations.

First Air est demeurée le transporteur indépendant le plus important utilisant des avions à réaction dans le Nord, et elle a ajouté une liaison Ottawa-Goose Bay à un réseau septentrional déjà étendu. Cette compagnie continue de desservir Pelly Bay, Spence Bay et Gjoa Haven (que NWT Air a cessé de desservir) avec ses avions à turbopropulsion HS-748.

Une bonne partie des services offerts par Intair, autrefois affiliée à Canadien, sont concentrés dans le Nord. Avec sa nouvelle flotte d'avions à réaction Fokker 100 et d'appareils à turbopropulsion ATR-42, elle dessert 15 destinations dans le nord du Québec et à Terre-Neuve.

Parmi les autres indépendants qui ont inauguré des services réguliers dans le Nord au cours de 1989, mentionnons Aviair, Aklak Air, Northland Air Manitoba, Trans Côte, Central Mountain Air, Sabourin Lake Airways, Atlantic Airways, Bearskin Lake Air Service et Air Creebec. En tout, 25 localités du Nord ont bénéficié, en 1989, de services réguliers nouveaux ou améliorés, offerts par ces transporteurs indépendants.

Les résultats de l'enquête de 1989 menée par l'Office sur les services aériens dans le Nord, confirment une croissance générale dans le secteur des transports aériens de tout le Nord, mais ont également soulevé quelques interrogations au sujet des petites localités isolées. Beaucoup de répondants ont signalé une augmentation du prix des passages et du transport du fret en 1989, bien que parfois une amélioration de l'offre de tarifs réduits a compensé ces hausses. Néanmoins, la plupart des observations rapportées avaient trait aux services. Plus particulièrement, plusieurs répondants ont mentionné que les transporteurs accusaient fréquemment des retards dans l'acheminement du fret ou des bagages en raison du peu d'espace à bord des petits appareils à turbopropulsion ou à pistons, ce qui n'est pas sans avoir occasionné des inconvénients aux expéditeurs et aux voyageurs. Un autre motif d'inquiétude est la tendance à annuler des vols réguliers lorsque peu de billets ont été vendus.

Remplacement des services des grands transporteurs par ceux des affiliés

Air Canada et Canadien continuent de se retirer des petits marchés intérieurs pour concentrer leurs services sur les longues liaisons intérieures, transfrontalières et internationales.

Depuis 1984, Air Canada et Canadien (ainsi que ses prédécesseurs) se sont retirés de 39 destinations au Canada et trois aux États-Unis, confiant ces services à leurs transporteurs affiliés[2] (voir graphique 3.8). En général, les services offerts à ces localités se sont améliorés, car le nombre de vols réguliers est passé de 252 en 1983 à 464 en 1989, soit une augmentation de 84 p. 100.

Le tableau 3.7 permet de constater que, lorsque les grands transporteurs se retirent d'une localité, celle-ci reçoit habituellement un meilleur service des affiliés régionaux, qui augmentent le nombre de vols directs et de places offertes. Dans certains cas, des transporteurs indépendants proposent des services aériens concurrentiels. Par ailleurs, même si les nouveaux services de remplacement ne sont pas assurés par des avions à réaction, il arrive que certains marchés aient droit à ce type de service.

Il faut mentionner que cette amélioration des services diffère sur certains marchés. À preuve, les chiffres sur les liaisons Sudbury-Toronto, Sept-Îles-Québec et Stephenville-Gander. Néanmoins, ces réductions du nombre de vols directs et de places offertes sont en grande partie fonction de la demande de services sur ces marchés. Dans la majorité des cas, le niveau des services offerts à ces localités correspond davantage à la demande que ce n'était le cas avant la suppression des services par avion à réaction des grands transporteurs.

Observations

Il est arrivé fréquemment qu'on ait signalé, dans les observations ajoutées aux réponses aux enquêtes sur les transports aériens, que le niveau des services avait baissé, surtout dans l'ouest du Canada et qu'on déplorait les conditions régnant à l'aéroport international Pearson.

La Commission des transports des provinces de l'Atlantique a signalé qu'un climat de confiance et un

[2] Six de ces destinations (North Bay, Rouyn, Sudbury, Timmins, Val-d'Or et Windsor) ont été confiées par Air Canada soit à Air Ontario, soit à Air Alliance le 4 février 1990.

de 2 p. 100. Dans l'ensemble, le nombre hebdomadaire de places disponibles a baissé de 9 p. 100 par rapport à 1988. La tendance observée consiste en une plus grande fréquence de vols directs au moyen d'appareils plus petits. C'est ce qu'on observe par exemple, sur les liaisons suivantes : Kamloops-Vancouver, Kamloops-Calgary, Port Hardy-Vancouver et Brandon-Winnipeg.

La baisse du niveau des services par avion à réaction par rapport à 1987 (5 p. 100) et à 1983 (18 p. 100) est le résultat du transfert des services des grands transporteurs vers leurs transporteurs régionaux affiliés.

AirBC a continué, en 1989, d'étendre ses services, notamment en mettant en place son Super Shuttle entre Calgary et Edmonton et en améliorant son service par avion à réaction à Kelowna et Cranbrook. Le service Super Shuttle permet à Air Canada d'affirmer sa présence sur ce marché autrefois dominé par Canadien. AirBC a aussi inauguré un service par avion à turbopropulsion entre Edmonton (aéroport municipal) et Peace River et commencé à assurer la liaison entre Calgary et Medicine Hat et Lethbridge. Ce sont là de nouveaux services compétitifs sur des liaisons que seul Time Air desservait autrefois. AirBC a également proposé des vols affrétés vers les États-Unis. Time Air a commencé à desservir Cranbrook et Seattle (Washington).

Nord du Canada

L'étude de 32 liaisons septentrionales (à destination, en provenance et à l'intérieur de la région du Nord) permet de conclure à une amélioration du niveau des services aériens en 1989. Un plus grand choix de transporteurs, plus de vols directs, plus de vols indirects sans changement d'avion, plus de vols par avion à réaction, plus de vols par avion à turbopropulsion et à pistons et un plus grand nombre de places sont offertes aux voyageurs du Nord.

Sur les liaisons retenues dans l'échantillon, le nombre de vols directs par semaine a augmenté de 21 p. 100 par rapport à 1988. Le niveau de 1989 représente une hausse de plus de 200 p. 100 par rapport à 1983. En 1989, le nombre de vols hebdomadaires indirects a augmenté de 14 p. 100 par rapport à 1988. Vu la nouvelle concurrence des services par avions à réaction sur les marchés septentrionaux, le nombre hebdomadaire de vols effectués au moyen de ce type d'appareil a augmenté de 20 p. 100 au cours de chacune des deux dernières années. Les vols par avion à turbopropulsion et à pistons se sont accrus de 25 p. 100 et il y en a maintenant cinq fois plus qu'en 1983. Le nombre de places offertes chaque semaine sur les 32 liaisons échantillonnées a augmenté de 10 p. 100 en 1989 pour dépasser de près de 75 p. 100 le niveau observé en 1983.

La présence d'Air Canada dans le Nord est assurée en grande partie par son affilié, NWT Air. Cette dernière compagnie a établi son propre réseau d'apport (voir la rubrique Structure de l'industrie). Ses transporteurs affiliés exploitent de petits appareils et ajoutent au réseau de NWT Air une multitude de petites destinations que des avions à réaction plus gros ne pourraient desservir de façon rentable. La livraison d'un deuxième B-737, en 1989, a permis à NWT Air de convertir ses opérations de Keewatin, où elle n'utilise plus que des avions à réaction. Les liaisons avec le centre et l'est du Canada ont été améliorées grâce au rétablissement du service Winnipeg-Yellowknife. NWT Air a aussi ajouté Calgary à son réseau, mais elle s'est retirée de Pelly Bay, de Spence Bay et de Gjoa Haven. La clientèle du Nord a droit à des tarifs réduits entre des destinations septentrionales et Winnipeg, où la correspondance peut se faire avec les vols affrétés de NWT Air vers des destinations de la Floride, de la Californie et du Mexique.

Une autre compagnie affiliée, AirBC, a ajouté Peace River à son réseau du Nord, mais a abandonné la liaison Whitehorse-Vancouver en septembre après 15 mois de service, parce que le trafic était insuffisant.

Air Ontario a réduit ses opérations dans le Nord en abandonnant le service dans 14 localités du nord de l'Ontario. Presque toutes ces destinations ont aussitôt été reprises par d'autres transporteurs comme Air Creebec, Bearskin Lake Air Service, Frontier Air et Sabourin Lake Airways.

Air Alliance a commencé à desservir Wabush/Labrador City (Terre-Neuve), livrant ainsi concurrence à Air Atlantic, ce qui améliore grandement la liaison avec le réseau national et celui de l'Atlantique.

En 1989, les Lignes aériennes Canadien international ont créé Canadian North, division distincte qui se consacre aux services dans le Nord. Canadien a également mis sur pied un conseil consultatif de consommateurs qui doit lui faire part régulièrement de ses réactions sur tous les aspects de la performance de la nouvelle division. Canadian North exploite une flotte composée uniquement d'avions à réaction, huit B-737, et dessert 24 destinations dans les Territoires du Nord-Ouest, en Alberta, au Manitoba et au Québec. En cours d'année, la division a retiré son service à Churchill Falls, localité qui n'est plus desservie que par Air Atlantic.

indirects de 61 p. 100 et le nombre total de places offertes de 22 p. 100. Parmi les augmentations les plus marquées, notons la route Québec-Halifax, où le nombre de places et celui des vols par avion non réacté (directs et indirects) a fait un bond de 271 p. 100. Le nombre de vols directs et indirects par avion non réacté entre Fredericton et Montréal est passé de 28 à 99 par semaine grâce au nouveau service par avion à turbopropulsion d'Air Atlantic et d'Air Nova. Il s'agit d'une hausse de 253 p. 100, et le nombre de places a augmenté de 75 p. 100. Ces nouveaux services par avion à turbopropulsion s'ajoutent aux 28 vols hebdomadaires par avion à réaction qu'assurent Air Canada et Air Nova, nombre de vols demeuré inchangé par rapport à 1988.

Au cours de l'année, les deux grands transporteurs ont aboli leurs services dans un certain nombre de localités des provinces de l'Atlantique. Par exemple, Air Canada a mis un terme à ses opérations de Gander, Stephenville et Sydney, et Canadien s'est retiré de Sydney. Ces décisions ont provoqué des réactions dans les localités touchées, surtout à Stephenville. Le Comité sénatorial permanent des transports et des communications a fait une enquête sur l'abolition du service d'Air Canada à Stephenville. La suppression des services des grands transporteurs ne prive cependant pas ces localités de tout transport aérien, car les affiliés ont comblé le vide en proposant de nouveaux vols quotidiens selon un horaire intéressant. L'opposition à ces retraits du service par avion à réaction s'est donc calmée dans ces localités sauf à Stephenville. En février 1990, Air Atlantic a annoncé son intention de desservir cette dernière localité par avion à réaction à compter d'avril 1990.

Le transporteur partenaire d'Air Canada, Air Nova, a ajouté Bathurst (N.-B.) à son réseau de destinations en 1989, reliant ainsi cette localité à des centres plus importants comme Halifax et Montréal. Air Alliance, autre transporteur partenaire d'Air Canada, a commencé à desservir Wabush/Labrador City (Terre-Neuve).

Air Atlantic, partenaire de Canadien, a commencé à desservir Charlo (N.-B.), Bangor et Portland (Maine). Cette compagnie, suivant en cela la tendance à améliorer le service par avion à réaction qui se manifeste dans toutes les régions, a annoncé en novembre 1989 qu'elle prendrait la relève de Canadien pour ses services dans les provinces de l'Atlantique, tandis que Canadien continuera d'exploiter les liaisons interprovinciales plus longues comme Toronto-Halifax. Air Atlantic ajoutera également ses propres services aux services interrégionaux de Canadien sur des liaisons comme Montréal-Halifax et Ottawa-Halifax.

Ontario/Québec

Les 16 paires de villes échantillonnées en Ontario et au Québec ont bénéficié d'une augmentation du nombre hebdomadaire de vols directs et de vols par avion non réacté de 16 et 24 p. 100 respectivement par rapport à 1988, alors qu'il y a eu diminution du nombre de vols indirects et par avion à réaction ainsi que du nombre de places. Cette évolution montre que les transporteurs régionaux affiliés tendent à offrir plus de vols directs par avion non réacté sur ces marchés. En outre, la diminution du nombre de places disponibles et la multiplication des vols sans escale indiquent qu'ils tentent d'offrir des vols plus fréquents au moyen d'appareils plus petits. Les routes Dryden-Winnipeg, Sault Ste. Marie-Toronto et Sept-Îles-Montréal sont autant d'exemples qui illustrent cette tendance.

Air Alliance a ajouté Gaspé, les Îles-de-la-Madeleine, Val-d'Or et Wabush à son réseau et elle a commencé à desservir la liaison Québec-Montréal en se rendant aussi bien à Mirabel qu'à Dorval. Pour se concentrer sur les routes régionales les plus importantes, Air Ontario a abandonné plusieurs de ses liaisons du nord de l'Ontario, mais celles-ci ont aussitôt été reprises par des transporteurs locaux indépendants. Air Toronto, qui continue de se spécialiser comme transporteur d'apport d'Air Canada pour le marché transfrontalier, s'est retirée de Saginaw, tout en commençant à desservir Green Bay, Kalamazoo, Louisville et Madison. Ontario Express, pour sa part, a inauguré un service Timmins-Toronto et Moosonee-Toronto, et, avec l'achat de Frontier Air, elle a ajouté 20 destinations à son réseau du nord de l'Ontario. Air Atlantic a élargi la gamme de ses services sur le marché torontois en s'alliant à Ontario Express pour fournir une liaison, utilisant un avion de type Dash-8 entre Ottawa et Montréal à partir de Toronto (aéroport de Buttonville).

Intair a accru son service à partir de Montréal (Dorval) vers Toronto et Québec et elle a commencé à offrir des vols de Montréal (Saint-Hubert) vers Toronto, Ottawa et Québec. De plus, elle a inauguré un service vers La Grande, Roberval et Schefferville (Québec) et annoncé son intention de desservir l'aéroport de l'île de Toronto.

Provinces de l'Ouest

Selon l'étude d'un échantillon de 28 paires de villes dans l'Ouest (Prairies et Colombie-Britannique), le nombre hebdomadaire de vols indirects a diminué de 22 p. 100 par rapport à 1988, alors que les vols directs ont connu une hausse de 20 p. 100, les vols par avion non réacté de 13 p. 100 et les vols par avion à réaction

TABLEAU 3.6
Changements dans les services aériens hebdomadaires offerts (troisième trimestre de 1988 et de 1989)

	VOLS DIRECTS		NOMBRE DE PLACES	
Paires de villes	Nombre	Augmentation (diminution) en % par rapport à 1988	Nombre	Augmentation (diminution) en % part rapport à 1988
Montréal-Toronto*	775	(8)	86 581	(22)
Ottawa-Toronto*	541	4	57 295	(3)
Toronto-Vancouver*	335	14	75 819	3
Calgary-Toronto*	242	9	48 886	(7)
Toronto-Winnipeg*	185	(29)	24 516	(39)
Calgary-Vancouver	294	(8)	53 184	(10)
Calgary-Edmonton	480	24	44 936	50
Edmonton-Toronto*	203	6	39 115	11
Edmonton-Vancouver	210	11	27 220	15
Halifax-Toronto	188	4	27 484	(6)
Montréal-Vancouver	42	50	18 925	(1)
Thunder Bay-Toronto	100	11	10 885	(1)
Vancouver-Victoria	660	(2)	23 570	13
Vancouver-Winnipeg	40	(26)	18 760	(4)
Kelowna-Vancouver	143	(24)	12 002	(13)
Ottawa-Vancouver	42	5	11 371	(19)
Prince George-Vancouver	100	9	9 470	(1)
Calgary-Winnipeg	52	(37)	17 615	(12)
Halifax-Montréal	113	(8)	18 386	18
St. John's-Toronto	42	0	10 392	(16)
Québec-Toronto	58	61	7 311	19
Calgary-Montréal	30	(29)	11 097	(41)
Halifax-Ottawa	49	(11)	11 972	48
Sudbury-Toronto	146	(15)	6 314	(11)
Ottawa-Winnipeg	59	4	12 520	3
TOTAL	**5 129**	**(5)**	**85 626**	**(6)**

* Autrefois desservies par Wardair

Source: Official Airline Guides

cette liaison, en concurrence avec Canadien et Time Air.

Malgré une diminution générale du nombre de places offertes dans les services réguliers, neuf paires de villes ont bénéficié d'une augmentation.

Les résultats de l'enquête effectuée auprès des membres de l'Association des voyageurs de commerce ont révélé une dégradation des services offerts par les compagnies canadiennes du point de vue, par exemple, de la ponctualité et des services à bord, et ont noté une plus grande congestion des aéroports. Selon une autre enquête, celle de l'Alliance canadienne des associations touristiques (ACAT), il y a eu intensification de l'activité dans le secteur de l'affrètement et une aggravation de la congestion à l'aéroport international Pearson.

Provinces de l'Atlantique

Les services de transport aérien à destination, en provenance et à l'intérieur des provinces de l'Atlantique ont continué d'évoluer tout au long de 1989. De nouveaux transporteurs se sont ajoutés au réseau et les deux affiliés des grands transporteurs ont étendu la portée de leur réseau et augmenté la fréquence des vols vers plusieurs de leurs destinations.

Selon l'étude d'un échantillon de 24 paires de villes dans les provinces de l'Atlantique, les vols par avion à réaction ou non réacté ont augmenté de 30 p. 100 par rapport à 1988, les vols directs de 25 p. 100, les vols

TABLEAU 3.5
Fret aérien acheminé par les services réguliers

	1989 (en milliers de kg)	Augmentation (diminution)
Air Canada	272 748	10,4
Canadien	141 978	5,9
Wardair	18 596	(17,7)
Total	**433 322**	**7,3**

Source: Centre des statistiques de l'aviation

à Winnipeg (103 p. 100) s'explique par le fait qu'Air Canada a transformé ces aéroports en centres régionaux de transport du fret aérien.

Air Canada a continué de dominer cette activité importante du secteur du transport aérien. Après avoir cédé du terrain à Canadien en 1988, Air Canada a vu son volume de fret augmenter de 10,4 p. 100 tandis que Canadien et Wardair n'ont réalisé des gains combinés que de 2,3 p. 100.

Les services de fret aérien sont cruciaux pour la plupart des localités septentrionales. En fait, onze des 30 aéroports canadiens les plus importants en termes de volume de fret aérien manutentionné, se trouvent dans le Nord : Yellowknife, Iqaluit, Kuujjuaq, Goose Bay, Resolute Bay, Norman Wells, Inuvik, Whitehorse, Nanisivik, Cambridge Bay et Kuujjuarapik.

Service

Bien que certains indicateurs du niveau de services aient été à la baisse en 1989 en raison de la conjoncture économique et de la rationalisation de la capacité de Wardair, les niveaux de service sont demeurés supérieurs à ce qu'ils étaient en 1983 et en 1987.

Une étude sur l'évolution des services fournis par les transporteurs aériens entre 1983 et 1989 a été faite à partir d'un échantillon de 125 paires de villes[1] choisies dans le sud et le nord du Canada. Les indicateurs de services utilisés ont été les suivants : nombre hebdomadaire de départs de vols réguliers directs, de vols indirects, de vols par avion à réaction, de vols par avion non réacté et le nombre de places offertes sur les services réguliers au cours du troisième trimestre de chaque année. Voici les faits et tendances qui ont été décelés.

Les 25 marchés les plus importants

Les niveaux de service pour les 25 principales paires de villes ont légèrement diminué, comme en témoigne la baisse de 5 p. 100 du nombre de vols directs et de 6 p. 100 du nombre de places, au cours de l'année (voir tableau 3.6). Toutefois, une comparaison avec les niveaux de services offerts en 1987 et en 1983 révèle que le nombre de vols directs était, en 1989, de 11 p. 100 supérieur à ce qu'il était en 1987 et de 94 p. 100 plus élevé qu'en 1983; quant au nombre de places, il a augmenté de 16 p. 100 et de 46 p. 100 respectivement.

Entre 1988 et 1989, la hausse la plus marquée, aussi bien pour les vols directs que pour le nombre de places offertes, a été observée dans les marchés de Québec-Toronto, Calgary-Edmonton et Edmonton-Vancouver, alors que les baisses les plus importantes ont été notées sur les marchés de Toronto-Winnipeg et Montréal-Toronto (liaisons autrefois assurées par Wardair), ainsi que sur ceux de Calgary-Montréal, de Calgary-Winnipeg et de Kelowna-Vancouver. Par contre, le nombre de vols indirects et de vols par avion non réacté assurés pour les services réguliers est à la hausse depuis 1988. La proportion des vols utilisant des avions non réactés, pour les 25 principales paires de villes, était de 23 p. 100, ce qui représente une hausse de 2 p. 100 par rapport à 1988. En outre, la proportion des vols indirects a aussi augmenté de 1 p. 100 pour s'établir à 17 p. 100.

Dans l'ensemble, il y a eu diminution du service par avion à réaction dans 25 paires de villes les plus importantes, et malgré cela il y a eu dix marchés où le niveau de service s'est accru. Ainsi, le nombre de départs hebdomadaires d'avions à réaction des services réguliers entre Calgary et Edmonton a augmenté de 65 p. 100 par rapport au troisième trimestre de 1988. Ce changement s'explique par l'implantation du service Super Shuttle d'AirBC sur

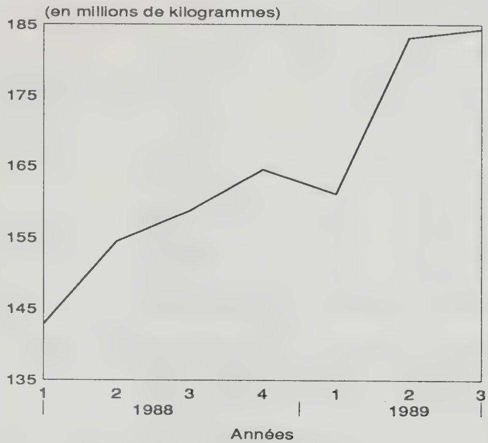
[1] L'analyse des services et des tarifs a été faite à partir d'un échantillon représentatif de 125 paires de villes des marchés nationaux, régionaux et locaux. L'échantillon comprend les 25 paires de villes ayant la plus forte densité de trafic, toutes les paires autrefois desservies par Wardair, 32 paires cédées par Air Canada et Canadien à leurs affiliés régionaux, 32 paires dont une ville ou les deux se trouvent dans le Nord et quelques autres paires. Les données relatives au trafic, aux horaires et aux tarifs, pour cet échantillon, proviennent de Airline Tariff Publishing Company, du Official Airline Guides ainsi que du Centre des statistiques de l'aviation de Statistique Canada.

TABLEAU 3.4
Origine et destination des passagers-services réguliers (janvier à juin 1988 et 1989)

Paires de villes	Passagers (en milliers) 1989	Augmentation (diminution) en % par rapport à 1988
Montréal-Toronto	703,8	2,3
Ottawa-Toronto	428,2	7,1
Toronto-Vancouver	382,3	0,5
Calgary-Toronto	237,9	(5,2)
Toronto-Winnipeg	201,1	9,0
Calgary-Vancouver	199,3	(3,9)
Calgary-Edmonton	179,8	26,2
Edmonton-Toronto	160,8	(0,9)
Edmonton-Vancouver	157,9	(5,5)
Halifax-Toronto	150,0	(2,5)
Montréal-Vancouver	96,5	9,9
Thunder Bay-Toronto	92,2	(10,5)
Vancouver-Victoria	88,0	(7,2)
Vancouver-Winnipeg	81,9	4,3
Kelowna-Vancouver	72,4	(3,3)
Ottawa-Vancouver	70,9	8,5
Prince George-Vancouver	65,8	7,0
Calgary-Winnipeg	63,1	(0,2)
Halifax-Montréal	61,9	(14,6)
St. John's-Toronto	59,7	7,0
Québec-Toronto	58,4	6,1
Calgary-Montréal	53,6	3,7
Halifax-Ottawa	53,3	(5,6)
Sudbury-Toronto	51,4	3,2
Ottawa-Winnipeg	50,1	8,6
Total	**3 820,2**	**1,8**

Source : Centre des statistiques de l'aviation

GRAPHIQUE 3.7 : FRET ACHEMINÉ PAR LES SERVICES RÉGULIERS DANS LES AÉROPORTS CANADIENS



Source: Centre des statistiques de l'aviation

paires de villes transfrontalières, la liaison Toronto-New York occupant le premier rang.

Le trafic d'affrètement a augmenté chez Air Canada, mais il a diminué chez Canadien et Wardair, ce qui a entraîné un recul net global de 22 p. 100 du trafic d'affrètement pour ces trois transporteurs.

Fret

Le secteur du fret aérien a connu une croissance constante en 1989. Selon les chiffres préliminaires des trois premiers trimestres, les aéroports canadiens ont manutentionné 528,5 millions de kilogrammes de fret aérien acheminé sur les services réguliers, soit 16 p. 100 de plus que pendant la période correspondante en 1988. Le marché intérieur, avec 61 p. 100 du fret aérien manutentionné en 1989, a assuré 80 p. 100 de cette croissance. Trois aéroports internationaux (Pearson, Vancouver et Mirabel) ont manutentionné 58 p. 100 du cargo à tous les aéroports sur les principaux services réguliers. Si l'on fait exception du troisième trimestre de 1988 (9,4 p. 100), le troisième trimestre de 1989 était le septième de suite où l'augmentation du volume de fret acheminé aux aéroports canadiens dépassaient de 12 p. 100 le volume du trimestre correspondant de l'année précédente.

Le bond spectaculaire enregistré pendant les trois premiers trimestres de 1989 à Moncton (262 p. 100) et

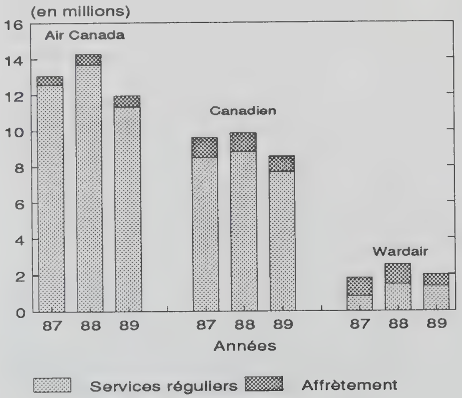
TABLEAU 3.3
Trafic passagers, services réguliers

	PASSAGERS		PASSAGERS-KILOMÈTRES	
	1989 (en milliers)	Écart en % par rapport à 1988	1989 (en millions)	Écart en % par rapport à 1988
Air Canada	11 321	-17,2	23 917	4,8
Canadian	7 676	-12,9	17 512	-2,8
Wardair	1 355	-7,5	5 405	3,3

Source: Centre des statistiques de l'aviation

une progression de 22 p. 100 par rapport à 1988, tandis que ceux de Canadien ont augmenté leur nombre de places offertes de 27 p. 100. Les transporteurs affiliés avec Air Canada ont accru leur capacité principalement dans l'Atlantique, au Québec et dans l'Ouest tandis que ceux de Canadien ont enregistré des gains importants en Ontario, dans l'Ouest et dans la région du Pacifique.

GRAPHIQUE 3.6 : NOMBRE DE PASSAGERS TRANSPORTÉS



Note : Les données de 1989 sont préliminaires

Source : Centre des statistiques de l'aviation

Trois facteurs ont contribué à la croissance de ces transporteurs régionaux : l'abandon des marchés régionaux par les grands transporteurs, l'accroissement du trafic généré par la fréquence accrue de vols à partir des grands centres de réseau, rendue possible par le remplacement des avions à réaction par des appareils plus petits et le fait que les affiliés se sont établis en 1986, à un moment où le secteur était en croissance et où la demande de transport aérien commençait à se raffermir.

Toronto demeure la plaque tournante des services réguliers du réseau de transport aérien du Canada, puisqu'elle figure parmi 11 des 25 plus importantes paires de villes. Les données du premier semestre de 1989 révèlent que le trafic a augmenté de 2,3 p. 100 dans le couloir Montréal-Toronto par rapport au premier semestre de l'année précédente, ce qui a permis à Toronto de se maintenir au premier rang. Sur 13 autres des 25 routes les plus importantes, des augmentations de trafic ont été enregistrées, variant entre 0,5 p. 100 pour Toronto-Vancouver et 26,2 p. 100 pour Calgary-Edmonton, mais il y a eu diminution pour les 11 autres paires de villes. Le recul varie entre moins 0,2 p. 100 pour Calgary-Winipeg et 14,6 p. 100 pour Halifax-Montréal. Pendant le premier semestre de 1989, le trafic total sur le marché intérieur a été de 6,45 millions de passagers, ce qui équivaut à 2,5 p. 100 de moins qu'en 1988.

La diminution du trafic des services internationaux réguliers enregistrée par Air Canada et Wardair a compensé les gains réalisés par Canadien, si bien que le trafic des services transfrontaliers et internationaux des grandes compagnies canadiennes reste au même niveau qu'en 1988, soit 6,6 millions de passagers. Là encore, Toronto figure dans 12 des 25 principales

ACTIVITÉS DE L'INDUSTRIE

Trafic

Le trafic passagers des principaux transporteurs canadiens, a diminué en 1989, alors que les transporteurs régionaux enregistraient une forte croissance de leur trafic. Le volume du fret acheminé aux aéroports canadiens a continué d'augmenter.

Passagers

En 1989, les trois principaux transporteurs ont subi une baisse du nombre de passagers des services réguliers. Cela s'explique notamment par une diminution de la demande sur le marché intérieur, pour les trois transporteurs et sur les marchés internationaux pour Air Canada et Wardair. Cette baisse de la demande ressortait de l'enquête auprès des membres de l'Association des voyageurs de commerce.

La décision de PWA de rationaliser la capacité de Wardair et les efforts déployés par Canadien pour accroître son trafic international ont pesé lourd dans la croissance de 40 p. 100 de ce trafic en 1989.

Bien que le nombre de passagers d'Air Canada et de Wardair ait diminué par rapport à 1988, les deux compagnies ont enregistré une augmentation du nombre de passagers-kilomètres. Ce phénomène s'explique par le fait qu'Air Canada ait cédé des routes régionales à ses transporteurs affiliés pour se concentrer sur les vols intérieurs de longue distance et sur les marchés internationaux. De même, l'augmentation du nombre de passagers-kilomètres de Wardair, en dépit d'une baisse de l'achalandage des services réguliers, tient aussi du fait que la compagnie a accordé plus d'importance aux vols intérieurs de longue distance et aux marchés internationaux. Canadien a vu diminuer à la fois le nombre des passagers et celui des passagers-kilomètres.

Tout comme en 1988, les affiliés d'Air Canada et de Canadien ont maintenu une croissance vigoureuse en 1989. En fait, les affiliés AirBC et Time Air transportent tous deux plus d'un million de passagers par année, ce qui est le seuil à franchir pour être considéré, d'après les définitions du Centre des statistiques de l'aviation de Statistique Canada, comme un grand transporteur, c'est-à-dire un transporteur de niveau 1.

Selon le nombre de places offertes chaque semaine au quatrième trimestre dans les services réguliers, les transporteurs affiliés avec Air Canada ont enregistré

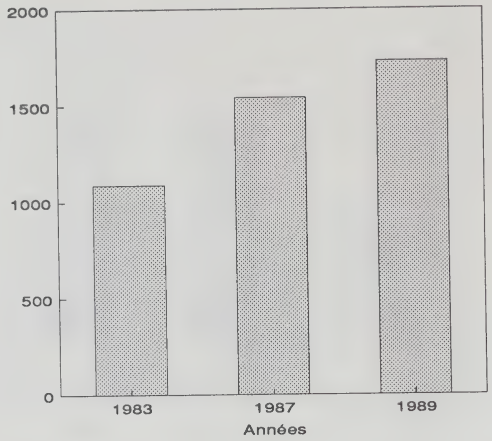
RÉGLEMENTATION DES SYSTÈMES INFORMATISÉS DE RÉSERVATION

Le secteur des systèmes informatisés de réservation (SIR) se compose d'entreprises commerciales qui, au moyen de terminaux d'ordinateur, communiquent à leurs abonnés (habituellement des agents de voyage) de l'information sur les horaires, les tarifs et les règles qui s'appliquent, ainsi que sur les sièges disponibles des compagnies aériennes participantes. La croissance de ce secteur a suscité des craintes au sujet du niveau de concurrence, tant dans le secteur des SIR que dans celui du transport aérien des passagers.

En mars 1988, le directeur des Enquêtes et Recherches, à Consommation et Corporations Canada, a demandé au Tribunal de la concurrence d'émettre une ordonnance pour empêcher la fusion du système Reservac d'Air Canada et du système Pegasus des Lignes aériennes Canadien International. En 1989, après d'intenses consultations, le directeur a modifié sa requête, autorisant la fusion tout en proposant un ensemble de règles qui encadreraient l'exploitation de ces services de réservation. Le 7 juillet 1989, le Tribunal de la concurrence approuvait ces règles dans une ordonnance de consentement.

En novembre 1989, le ministre des Transports demandait à Transports Canada et à l'Office d'élaborer une politique et une réglementation qui régiraient le secteur des SIR en ce qui concerne les services de transporteur aérien de passagers. Il incombera à l'Office de rédiger la réglementation nécessaire à la poursuite des objectifs de la politique gouvernementale dans ce domaine. Le Ministre déléguera à l'Office son pouvoir d'appliquer et de faire respecter cette réglementation.

GRAPHIQUE 3.5 : PAIRES DE VILLES SUR LE MARCHÉ INTÉRIEUR AYANT ACCÈS À UN SERVICE AÉRIEN



Sources : Official Airline Guides
Airline Tariff Publishing Company

congestionnées dans les aérogares et même un service aux divers aéroports dans certains grands centres urbains (aéroport international Pearson, île de Toronto, Buttonville et Hamilton, dans la région de Toronto; aéroports international et municipal d'Edmonton; aéroports de Dorval et de St-Hubert à Montréal; aéroport international d'Ottawa et aéroport de Gatineau, dans la région de la capitale nationale).

La concurrence plaît aux passagers parce qu'elle leur donne accès à une variété de choix au niveau notamment des prix, heures de départ et d'arrivée, services à bord, types d'appareils, programmes de grands voyageurs. Les enquêtes effectuées par l'Office font clairement ressortir le large éventail des préférences des consommateurs, depuis le voyageur d'affaires qui se soucie davantage du service comme tel, jusqu'au vacancier qui se préoccupe avant tout des prix. Les lignes aériennes ont répondu à cette demande diversifiée en offrant des services compétitifs à un plus grand nombre de localités et en élargissant la gamme des choix offerts sur les marchés établis.

En 1989, les groupes Air Canada et Canadien étaient tous deux présents à 41 des 42 points de départ et de destination principaux. À cette importante concurrence venait s'ajouter dans de nombreuses régions, celle émanant de l'offre de services de transporteurs indépendants comme Intair dans l'Est, First Air dans le Nord, de différents fréteurs exploitant des avions à réaction sur les grandes liaisons les plus populaires ainsi que des transporteurs qui se consacrent à certains créneaux. Cette concurrence accrue sur le marché intérieur s'est traduite par un plus grand choix de services et de prix pour les voyageurs canadiens.

Obstacles à l'entrée sur le marché

Vu l'évolution continue de l'industrie du transport aérien, certaines questions ont surgi au sujet des obstacles que les nouveaux concurrents doivent surmonter. L'investissement initial considérable en capital nécessaire, les vastes réseaux déjà établis, les ententes avec les affiliés, les systèmes informatisés de réservation, les programmes de grands voyageurs et les ententes relatives aux installations aéroportuaires sont autant d'éléments qui ont été décrits comme représentant des obstacles possibles à l'entrée de nouveaux concurrents sur le marché.

Un exemple précis d'obstacle est la capacité disponible limitée des pistes et des installations aéroportuaires dans certains aéroports majeurs congestionnés, comme l'aéroport international Pearson et l'aéroport international de Vancouver. Ces situations ne sont liées qu'indirectement à l'assouplissement des contrôles réglementaires, et de vastes programmes ont déjà été lancés en vue d'agrandir les aérogares, d'ajouter des pistes et d'améliorer les systèmes de contrôle du trafic aérien. Pour l'instant, les créneaux d'atterrissage et l'accès aux installations des aérogares sont répartis entre les transporteurs par des comités formés de représentants de la direction aéroportuaire, des lignes aériennes et du gouvernement fédéral. Ces comités doivent tenir compte de nombreux facteurs tels que les engagements relatifs aux vols internationaux, l'affectation des portes d'embarquement et des postes de stationnement, les exigences des services de douanes et d'immigration et les dispositions ayant trait à la sécurité.

En ce qui concerne les systèmes informatisés de réservation, le gouvernement fédéral est conscient des conséquences éventuelles que de tels outils peuvent avoir sur le marketing, aussi, a-t-il pris des mesures afin d'empêcher qu'ils ne soient utilisés pour diminuer la concurrence.

Parmi les 146 paires de villes du marché intérieur les plus importantes, lesquelles représentent près de 90 p. 100 du trafic passagers au Canada, la proportion de celles qui sont desservies par deux transporteurs concurrents ou plus est passée de 44 à 77 p. 100 entre 1983 et 1989 (voir graphique 3.3).

Parmi les 42 localités les plus importantes du réseau, soit les lieux de départ ou d'arrivée d'environ 95 p. 100 des passagers sur le marché intérieur, toutes étaient desservies par au moins deux transporteurs réguliers en 1989 et la moitié l'étaient par cinq compagnies ou plus (voir graphique 3.4).

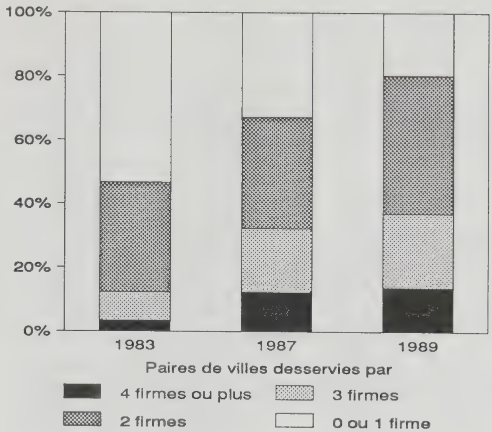
En organisant leurs réseaux en étoile, les lignes aériennes ont pu rejoindre beaucoup plus de localités, et le nombre des liaisons intérieures directes (sans escale) ou indirectes (sans changement d'appareil) est passé de 1 088 en 1983 à 1 729 en 1989, soit une augmentation de près de 60 p. 100 (voir graphique 3.5).

Le regroupement des transporteurs en familles comptant des affiliés régionaux a grandement fait progresser l'offre de services coordonnés entre réseaux et a permis une plus grande accessibilité aux tarifs réduits. Le recours aux tarifs réduits est un élément clé de la stratégie de concurrence des compagnies aériennes et, en 1989, le nombre moyen de types de réduction offerts par liaison, a continué d'augmenter. Presque tous les transporteurs réguliers proposent maintenant des tarifs réduits, et la proportion des passagers qui profitent de réductions, comme on le signale à la section Tarifs, reste supérieure à 60 p. 100.

L'accroissement de la fréquence des vols s'avère un autre moyen utilisé par les transporteurs pour faire concurrence, notamment pour les voyageurs d'affaires. Pour les 25 paires de villes les plus importantes sur le marché intérieur, le nombre de vols directs et indirects a doublé entre 1983 et 1989. Cette forte tendance à la hausse prévaut dans toutes les régions du pays.

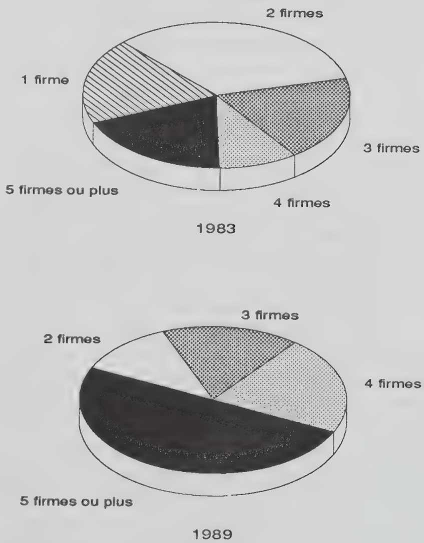
Les compagnies aériennes se sont lancées dans d'imposants programmes de rééquipement de leur flotte pour mettre en service des appareils modernes, d'utilisation plus économique. Un certain nombre d'affiliés régionaux et d'indépendants ont acheté ou commandé des avions à réaction pour se donner de meilleurs moyens opérationnels et attirer la clientèle tandis que d'autres transporteurs régionaux possèdent une flotte ultramoderne d'avions à turbopropulsion. Il y a de nombreuses autres possibilités qui sont aujourd'hui offertes aux passagers, par exemple divers programmes de grands voyageurs, différents niveaux de service à bord, des installations moins

GRAPHIQUE 3.3 : LES 146 PAIRES DE VILLES INTÉRIEURES LES PLUS IMPORTANTES



Sources : Official Airline Guides; Airline Tariff Publishing Company et Centre des statistiques de l'aviation

GRAPHIQUE 3.4 : SERVICES DANS LES 42 PRINCIPALES PAIRES DE POINTS DE DÉPART ET DE DESTINATION



Sources : Official Airline Guides; Airline Tariff Publishing Company et Centre des statistiques de l'aviation

aériens. La question de la consolidation a surgi de nouveau lors de l'acquisition de Wardair par PWA et de la fusion qui a suivi avec Canadien. L'industrie du transport aérien a toujours été fortement concentrée mais lorsqu'on examine la situation de près, en termes notamment de nombre de passagers transportés, de passagers-kilomètres, de départs et d'arrivées ou de places offertes au public, cette industrie est moins étroitement dominée aujourd'hui qu'elle ne l'était avant l'assouplissement de la réglementation en 1984.

À cette époque, Air Canada assurait plus de la moitié du transport de passagers et récoltait près des deux tiers des revenus. Les lignes aériennes Canadien Pacifique venaient au deuxième rang avec 18 p. 100 du marché, suivies de Pacific Western Airlines avec 16 p. 100. L'industrie était alors structurée en un réseau à trois niveaux, les petites compagnies jouant un rôle de transporteurs d'apport pour les plus grands transporteurs régionaux et nationaux. Il y avait peu de liaisons dans le réseau desservi par plus d'un transporteur et le niveau de concurrence était contrôlé par les autorités chargées de la réglementation.

En 1989, la domination exercée par Air Canada sur le marché s'était estompée et sa part de l'ensemble du marché des services passagers se rapprochait des 40 p. 100. Canadien, y compris Wardair, s'était emparée de 33 p. 100 tandis que les affiliés régionaux d'Air Canada et de Canadien se partageaient 20 p. 100 du marché. Il n'y a pas de données disponibles sur les indépendants, mais la compagnie Intair à elle seule détiendrait une part de plus de 3 p. 100 du marché.

Le phénomène de la concentration constitue un problème uniquement lorsque, pour une paire de villes donnée, elle se traduit par la domination d'un transporteur.

TABLEAU 3.2
Capacité hebdomadaire des services réguliers en nombre de places

	INTÉRIEUR		TRANSFRONTALIER		INTERNATIONAL		TOTAL	
Transporteur	1989	Écart en %	1989	Écart en %	1989	Écart en %	1989	Écart en %
Air Canada	278 233	(4,7)	42 864	17,1	15,829	13,1	336,926	(1,6)
Affiliés	155 463	21,8	8 389	23,4	0	N.d.	163,852	21,9
Total partiel	**433 696**	**3,4**	**51 253**	**18,1**	**15 829**	**13,1**	**500 778**	**5,0**
Canadien	252 985	(19,0)	10 316	57,0	10 450	14,1	273 751	(16,5)
Wardair	4 312	(91,9)	392	(16,8)	4 116	(43,3)	8 820	(85,6)
Affiliés	140 812	(7,0)	4 325	28,5	220	25,0	145 357	(6,2)
Total partiel	**398 109**	**(23,0)**	**15 033**	**51,3**	**14 786**	**14,3**	**427 928**	**(11,4)**
Indépendants[1]	138 594	84,8	2 661	7,5	562	(64,2)	141 817	79,4
Total	**970 399**	**(4,1)**	**68 947**	**22,5**	**31,177**	**(3,0)**	**1 070 523**	**(2,7)**

Note : ( ) Les parenthèses indiquent une diminution.

[1] Comprend la capacité d'Intair qui, en tant qu'Inter-Canadien en 1988, était un affilié de Canadien.

Sources : Statistiques de l'aviation et prévisions, Politique et coordination, Transports Canada; Official Airline Guides

FAILLITES DE FRÉTEURS

Deux fréteurs exploitant des avions à réaction, Holidair et Minerve Canada, ont déclaré faillite vers la fin de 1989, et trois autres, Vacationair, Points of Call et Crownair, ont mis un terme à leurs opérations au début de 1990. Ces cinq compagnies étaient entrées sur le marché des vols nolisés internationaux au cours des deux dernières années.

Des passagers ont été abandonnés à leur point de destination à cause de ces faillites. Certains d'entre eux jouissaient de la protection émanant de mesures législatives provinciales (par exemple, les résidants de la Colombie-Britannique, de l'Ontario et du Québec). Certains ont reçu une indemnisation de leur assurance-voyage, mais d'autres ont dû encourir des frais additionnels considérables pour rentrer chez eux.

Ces perturbations n'ont eu qu'une incidence limitée sur l'offre totale de voyages à prix modique. D'autres transporteurs du secteur des vols nolisés, comme Nationair, Worldways, Odyssey International, Canada 3000 et Air Transat ont acquis d'autres appareils et ont ajouté de nouvelles destinations, tandis que les transporteurs de services réguliers continuent d'ajouter à leurs opérations d'importants programmes de vols nolisés.

152 vols entre Toronto et Vancouver, Calgary, Edmonton, Charlottetown, Halifax et St. John's, se servant de divers types d'avions à réaction, pour un aller-retour, variant entre 199 $ et 329 $.

Les activités sur le marché de l'affrètement se sont considérablement intensifiées. Plusieurs transporteurs ont ajouté de gros avions à réaction à leur flotte, notamment Air Transat (1 L-1011), Worldways (3 B-727, 2 L-1011), Nationair (1 B-747), Canada 3000 (2 B-757) et Odyssey (2 B-737-300). Par contre, on a relevé quelques faillites chez les petits transporteurs.

Répartition de la capacité

À la fois Air Canada et Canadien ont transféré de leur capacité des marchés intérieurs vers les marchés transfrontaliers et internationaux tandis que les transporteurs affiliés et indépendants ont accru leur capacité.

Les données qui suivent portant sur le nombre de places offertes, traduisent l'évolution structurelle ayant caractérisé le secteur du transport aérien.

La part d'Air Canada est demeurée à peu près stable, à environ 31 p. 100 de la capacité totale, malgré un déplacement évident vers les marchés transfrontaliers et internationaux. Les affiliés régionaux d'Air Canada, représentant 15 p. 100 de la capacité totale, ont affiché une forte croissance, ayant continué de prendre en charge les liaisons abandonnées par la compagnie-mère.

Canadien a aussi transféré une partie de sa capacité vers les marchés transfrontaliers et internationaux, mais, à la suite des mesures de rationalisation et de compression prises lors de l'acquisition de Wardair, sa part de la capacité globale de l'industrie est tombée en deçà de 26 p. 100. Les opérations de Wardair ont été amputées de plus de 85 p. 100, les compressions les plus importantes touchant les liaisons intérieures. Les affiliés régionaux de Canadien ont affiché la même croissance vigoureuse que ceux d'Air Canada, mais la perte d'Inter-Canadien s'est traduite par une diminution de 6,2 p. 100 de leur nombre de places offertes sur leurs services réguliers et a fait baisser leur part de la capacité totale en deçà de 14 p. 100.

Le passage d'Intair (autrefois Inter-Canadien) chez les indépendants, allié à l'expansion générale des services de ceux-ci sur les marchés du Nord, a fait hausser d'environ 13 p. 100 la part des transporteurs indépendants dans la capacité totale offerte sur le marché intérieur.

CONCENTRATION ET CONCURRENCE

En 1989, la concurrence, dans le secteur canadien des transports aériens, a été plus vive qu'avant l'assouplissement des contrôles réglementaires en 1984.

La formation des deux grands groupes de transporteurs dirigés par Air Canada et les Lignes aériennes Canadien international a été liée à une consolidation dans le secteur canadien des transports

fret par affrètement pour le compte d'un transporteur américain, Emery Air Freight, et un service passagers régulier pour une ligne aérienne étrangère, El Al.

En 1989, City Express a consolidé son réseau en se retirant des liaisons de London, Detroit, Québec, Sept-Îles et Wabush pour se consacrer davantage aux marchés plus achalandés de Toronto-Ottawa-Montréal et de Newark. À ces opérations, elle a ajouté des vols affrétés dans le nord du Québec et sur des liaisons transfrontalières. Elle a amorcé la négociation d'une entente pour des services d'apport avec le transporteur américain, Continental Airlines.

D'autres grands transporteurs qui exploitent certains créneaux ont accru leurs opérations au cours de l'année. Ainsi, Air Creebec a acheté les opérations d'Air Ontario dans le Nord, lesquelles sont basées à Timmins, créant ainsi un vaste réseau de 20 destinations couvrant le nord-ouest du Québec et le nord de l'Ontario. La compagnie a déployé son nouveau Dash-8 à turbopropulsion, sur des liaisons telles que Montréal-Val-d'Or, pour concurrencer directement les services par avions à réaction et à turbopropulsion offerts par Air Canada, Canadien, Air Alliance et Intair.

Plusieurs petits transporteurs indépendants sont liés à des réseaux qu'ils alimentent comme affiliés régionaux, car les groupes Air Canada et Canadien ont élargi la notion d'affilié pour englober un troisième niveau de transporteurs. Ontario Express a acheté la totalité des actions de Frontier Air et NWT Air a négocié des ententes commerciales avec cinq transporteurs locaux.

Northland Air Manitoba a ajouté un nouveau Dash-8 à sa flotte mixte de 14 appareils à turbopropulsion ou à pistons. Elle a continué de concurrencer Canadien et Calm Air au Manitoba.

Autre fait important qui a marqué l'année 1989, les grands fréteurs ont commencé à exploiter les longues liaisons intérieures populaires, surtout celles desservies autrefois par Wardair. Ces vols nolisés ont compensé en partie le vide laissé par le départ de Wardair, mais, fait plus important encore, ils ont offert aux consommateurs des choix de tarifs avantageux.

Entre août et octobre, Canada 3000 a effectué 26 vols entre Toronto et Vancouver, utilisant les nouveaux appareils B-757 et proposant un tarif aller-retour de 299 $. Vacationair a assuré, au moyen d'appareils B-737, la liaison entre Toronto et St. John's (34 vols), Toronto et Edmonton (34 vols), Toronto et Calgary (60 vols) et Toronto et Vancouver (14 vols) à des tarifs aller-retour bon marché. Worldways a effectué

INTAIR

Le transporteur aérien indépendant le plus récent et le plus important portait autrefois le nom d'Inter-Canadien et jouait le rôle de transporteur régional d'apport de Canadien au Québec. Son vaste réseau est né du regroupement des anciens réseaux de Nordair-Métro et de Québecair, desservant toutes les régions du Québec ainsi que certaines destinations en Ontario, à Terre-Neuve, au Nouveau-Brunswick et dans l'Île du Prince-Édouard. Au cours du quatrième trimestre de 1989, Intair, avec sa flotte mixte moderne comprenant des avions à réaction et à turbopropulsion, a effectué environ 1 100 vols par semaine desservant un total de 39 destinations.

En tant qu'affiliée, les opérations d'Inter-Canadien étaient définies dans le cadre de son accord avec Canadien. Comme entité indépendante, Intair entend devenir un transporteur important dans l'est du Canada. Au départ, elle a choisi pour cible le couloir achalandé de Toronto-Ottawa-Montréal, afin de prendre de l'expansion. En novembre, à la suite d'un différend avec Canadien qui a fait couler beaucoup d'encre sur la question des créneaux d'atterrissage à l'aéroport international Pearson, elle a commencé à offrir sept vols quotidiens par avion à réaction entre Toronto, Montréal et Québec. Même si à l'origine la compagnie offrait des services à bas prix, la direction d'Intair nie toute intention de poursuivre l'application d'une stratégie visant à réduire les prix.

À la fin de l'année, Intair offrait plus de vols quotidiens entre Montréal et Toronto que Wardair ne le faisait, livrant directement concurrence à Air Canada et à Canadien, pour s'approprier 15 p. 100 du marché dans ce couloir lucratif. De plus, Intair exploitait sa propre aérogare à Saint-Hubert, près de Montréal, en vue de faire de cet aéroport un centre secondaire desservant la rive sud du Saint-Laurent et d'offrir une liaison par avion à turbopropulsion avec l'aéroport de l'île de Toronto.

Intair utilise le système informatique de réservation SABRE d'American Airlines et offre un programme de grands voyageurs en collaboration avec American Airlines et KLM. Les recettes d'exploitation en 1989 étaient estimées à 140 millions de dollars pour environ un million de passagers.

Nouvelle-Angleterre et commandé trois avions à réaction.

Ontario Express a élargi son réseau en 1989 et commandé de nouveaux avions à turbopropulsion qui doubleront sa flotte composée de 19 appareils. La compagnie a acheté Frontier Air, transaction qui élargit la notion même d'alliance entre grands transporteurs et affiliés pour l'étendre aux petits transporteurs locaux. Frontier Air fournit un service d'apport, reliant 20 destinations du nord de l'Ontario aux réseaux d'Ontario Express et de Canadien.

Calm Air est la compagnie qui, de tous les affiliés de Canadien, a connu le moins de changements en 1989. Aucun appareil ne s'est ajouté à sa flotte, et il n'y a eu qu'une réduction mineure de son réseau.

Time Air a agrandi sa flotte et élargi son vaste réseau, dans l'Ouest, en ajoutant une liaison avec Seattle (Washington), desservie antérieurement par Canadien. La compagnie a connu une croissance considérable, le trafic passagers ayant atteint 1,25 million en 1989.

Dans le Nord, Canadien a implanté une division d'exploitation distincte appelée Canadian North, chargée d'assurer les services de transport des passagers et du fret sur son vaste réseau septentrional au moyen d'une flotte spéciale composée uniquement d'avions à réaction.

En somme, les affiliés régionaux du groupe Canadien ont connu une forte expansion mais la compagnie-mère a vu son organisation perturbée par l'absorption de Wardair, et a subséquemment fait face à des revers financiers. Sa part de marché a diminué au profit d'Air Canada et Canadien a adopté un programme de compression des coûts et de réduction de la capacité de sa flotte pour mieux l'adapter aux prévisions de la demande.

Quant au groupe Air Canada, la privatisation de la compagnie-mère s'est achevée en juillet 1989 alors que le gouvernement fédéral mettait en vente son dernier bloc de 55 p. 100 des actions de la société. La participation du gouvernement soustraite des activités du secteur, les termes et les conditions de la concurrence devenaient uniformes. Au cours de l'année 1989, Air Canada a poursuivi la rationalisation des opérations de son réseau, en concentrant surtout ses efforts dans les liaisons principales à forte densité et en transférant des services à ses affiliés régionaux, dont les coûts d'exploitation sont moins élevés. Tout comme dans le groupe Canadien, cette initiative a permis aux affiliés régionaux d'accroître leur présence dans le marché.

Air Nova a ajouté Bathurst à son réseau de 18 destinations et a ajouté de nouveaux appareils à sa flotte mixte.

Le transporteur partenaire d'Air Canada au Québec, Air Alliance, a triplé sa flotte, et ajouté cinq destinations à son réseau, incluant Boston et accru la fréquence de ses vols sur ses principales liaisons au Québec.

Air Ontario a consolidé son réseau au cours de 1989, en vendant à la fois à Air Creebec ses opérations dans le nord de l'Ontario et divers appareils.

AirBC a ajouté de nouveaux avions à réaction et à turbopropulsion à sa flotte déjà imposante et offert de nouveaux services à plusieurs endroits en Alberta. AirBC fournit également des services de fréteur aux voyagistes desservant des destinations vacances dans l'ouest des États-Unis.

L'affilié d'Air Canada dans le Nord, NWT Air, a élargi sa flotte et son réseau. Ceci constitue un autre exemple de l'assouplissement de la formule d'alliance grand transporteur et affiliés pour englober de petits transporteurs locaux. Parmi ses affiliés, on retrouve Buffalo Airways, Nunasi Northland, Delta Express, Simpson Air et Western Arctic Air. NWT Air opère également des services d'affrètement.

Air Toronto a continué d'assurer des liaisons transfrontalières à partir de Toronto, en ajoutant des appareils à sa flotte.

Transporteurs indépendants

Intair a remplacé Wardair comme transporteur indépendant le plus important, tandis que le secteur de l'affrètement accroissait ses opérations intérieures.

Le grand changement chez les transporteurs indépendants a été le remplacement de Wardair, au premier rang des transporteurs indépendants, par une compagnie qui vient de prendre un nouveau nom, les Lignes aériennes Intair. Intair prévoyait en 1989 un achalandage d'un million de passagers.

First Air a continué d'assurer son rôle de transporteur important dans le créneau régional, desservant un vaste réseau septentrional sur lequel elle concurrence Canadian North et NWT Air. Outre son réseau de services réguliers dans le Nord, cette compagnie a maintenu ses liaisons vers Mirabel et Boston à partir d'Ottawa. Elle a également effectué des vols nolisés vers des destinations vacances en Floride, aux Antilles et au Mexique. Enfin, elle a exploité des services de

WARDAIR CANADA INC.

L'annonce de la vente de Wardair à PWA pour la somme de 250 millions de dollars en argent et en actions, le 19 janvier 1989, a mis fin à ses visées de devenir le troisième plus grand transporteur au Canada.

Wardair s'était d'abord fait remarquer comme fréteur international, desservant des destinations tant en Europe qu'aux États-Unis et dans les Antilles. La compagnie était réputée pour la grande qualité de ses services et ses bas prix et, en 1985, elle avait connu un tel succès sur la scène internationale qu'elle exerçait une solide domination sur le marché intérieur canadien des vols affrétés. Au milieu des années 80, dans le contexte de la déréglementation, Wardair obtenait l'autorisation d'offrir des services intérieurs réguliers; en 1986, la compagnie commençait à exploiter des services sur les liaisons très achalandées entre Montréal, Toronto, Calgary, Edmonton et Vancouver, auxquels se sont ajoutés Winnipeg en 1987 et Ottawa en 1988.

La compagnie a renouvelé sa flotte en achetant de gros porteurs Airbus et elle a eu recours à une stratégie agressive de réduction de prix, dans le but de s'approprier 20 p. 100 du trafic passagers. Mais Air Canada et Canadien ont réagi en offrant les mêmes tarifs que Wardair, forçant ce dernier à réduire davantage ses prix. En dépit de cette concurrence acharnée, la compagnie avait réussi à augmenter sa part du marché à 18 p. 100; cependant, l'année 1988 se soldait par une perte d'exploitation de 57,7 millions de dollars pour Wardair, ne lui permettant plus de soutenir cette guerre coûteuse.

L'Office national des transports et Consommation et Corporations Canada ont examiné l'acquisition de Wardair par PWA. Bien que l'Office et le Ministère redoutaient une diminution de la concurrence, ils ont tous deux approuvé la transaction afin d'éviter la faillite inévitable de Wardair.

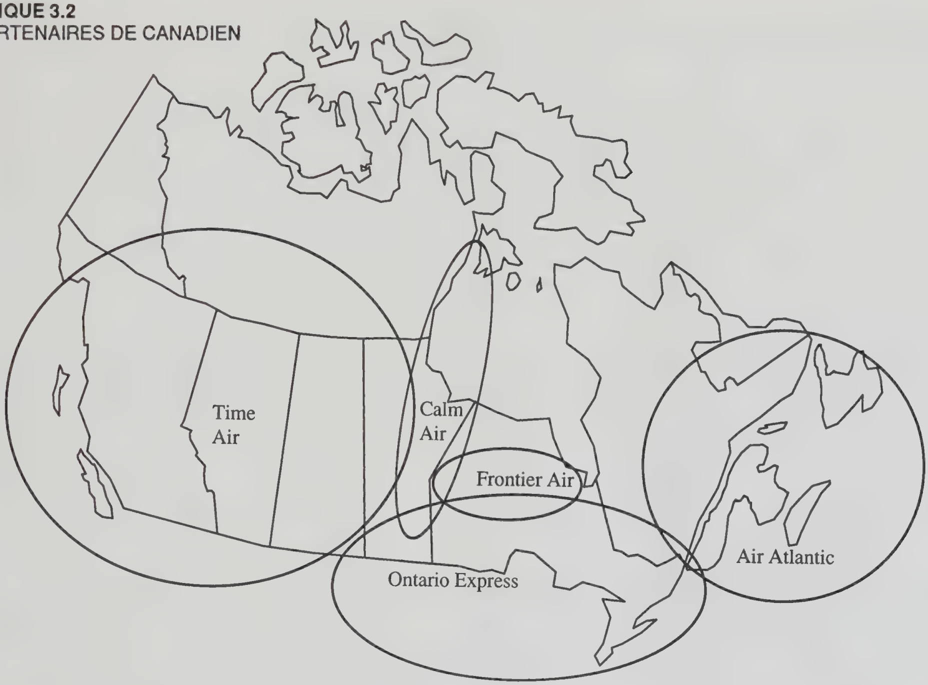
Même si PWA avait d'abord exprimé son intention d'exploiter Wardair comme une entité indépendante, il fallait procéder à une certaine rationalisation avec les opérations de Canadien. Après avoir officiellement pris possession de la compagnie en avril 1989, la nouvelle direction a entrepris de coordonner les programmes de vols des deux compagnies et d'éliminer les vols offerts par les deux transporteurs. Les tarifs des classes Affaires et Économie de Wardair ont été relevés de 15 à 20 p. 100 pour correspondre à ceux de Canadien. Par la suite, certains vols transcontinentaux, représentant une capacité additionnelle ajoutée au cours de la guerre de marché de l'année précédente, ont été discontinués et les appareils ont été retirés du service. Les services de Wardair sur les liaisons Toronto-Ottawa-Montréal ont été éliminés. Néanmoins, il y avait toujours des pertes exigeant de nouvelles mesures de compression des coûts. Ainsi, le système de réservation de Wardair a été transféré au système Pegasus de Canadien et les deux lignes aériennes ont été réunies sous la direction d'une seule équipe de gestion. Les divers services des deux compagnies ont été regroupés et le personnel de gestion réduit. Des mises à pied de quelque 1 900 employés ont été rapportées.

La part de marché de Canadien a diminué tous les mois à partir du mois de mai, et la compagnie a déclaré une perte d'exploitation de 35 millions de dollars pour le premier semestre. Étant donné cet effritement continu de sa part de marché au profit d'Air Canada, PWA annonçait finalement en octobre la fusion de Canadien et de Wardair. Elle a par la suite décidé de vendre la flotte de Wardair afin d'éliminer une surcapacité considérable et de réduire la lourde dette de PWA en prévision d'un ralentissement général du trafic passagers.

Un examen de l'incidence de la fusion PWA/Wardair sur les liaisons autrefois desservies par Wardair révèle une baisse totale du nombre de places hebdomadaires de quelque 12 p. 100 par rapport aux niveaux de 1988, les diminutions les plus marquées étant survenues sur les liaisons Toronto-Montréal et Toronto-Winnipeg. Quant à la fréquence des vols directs sur l'ancien réseau de Wardair, les mêmes baisses importantes ont été enregistrées sur les liaisons Toronto-Montréal et Toronto-Winnipeg, alors qu'on observe un accroissement de la fréquence sur presque toutes les autres liaisons. Cet accroissement est attribuable à d'autres transporteurs, Air Canada et plusieurs fréteurs, qui ont comblé le vide laissé par le retrait de Wardair et par la réduction du nombre de places chez Canadien. La diminution, sur le marché Toronto-Montréal, peut ne pas durer, car Air Ontario et Intair se joindront sous peu à City Express et à Ontario Express pour offrir un plus grand nombre de liaisons par avions à turbopropulsion au départ des aéroports de l'île de Toronto et de Buttonville.

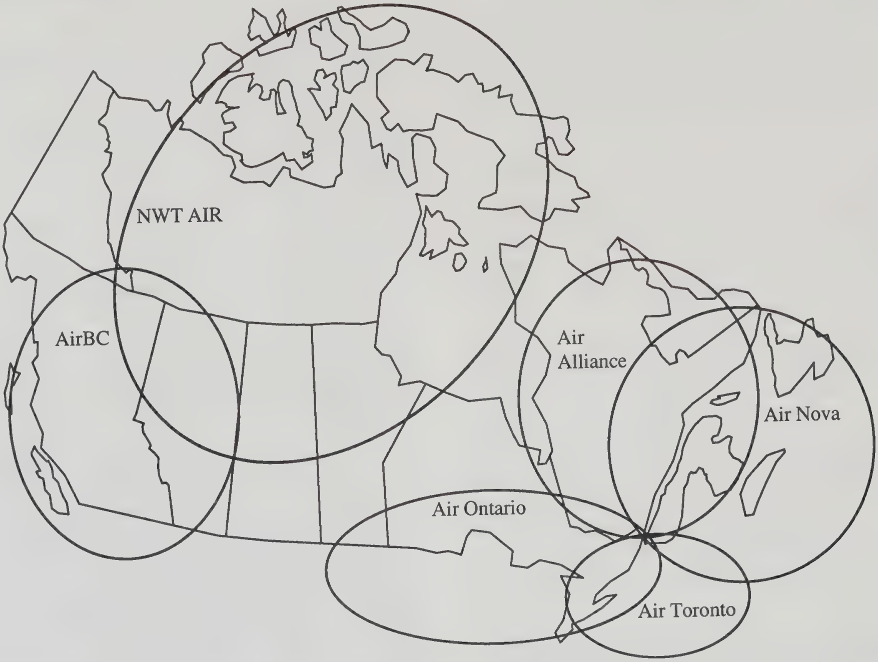
Même s'il y a eu certaines coupures dans les services à la suite de la disparition de Wardair, les niveaux de service et le nombre de places demeurent beaucoup plus élevés qu'en 1987 (première année complète d'opération de Wardair en tant que transporteur régulier) et deux fois plus élevés qu'en 1983. Bien que les bas tarifs de Wardair soient désormais chose du passé, ils ont été en partie remplacés par un nouvel éventail de possibilités offertes par des fréteurs de plus en plus actifs sur le marché intérieur, par exemple Canada 3000 et Worldways.

GRAPHIQUE 3.2
LES PARTENAIRES DE CANADIEN



Transporteur	Réseau	Flotte
Lignes aériennes Canadien international (LACI) (100% des actions détenues par PWA)	54 destinations : dans 10 provinces et 2 territoires, É.-U., Europe, Amérique centrale et Amérique du Sud, sud du Pacifique et Asie	85 avions à réaction
Canadian North (division de LACI)	24 destinations : Territoires du Nord-Ouest, Québec, Maritimes et Alberta	8 avions à réaction
Air Atlantic (45% des actions détenues par PWA)	15 destinations : Terre-Neuve, Nouvelle-Écosse, Nouveau-Brunswick et Île du Prince-Édouard, Bangor, Boston, Portland, Montréal et Québec	15 avions non réactés
Ontario Express (49% des actions détenues par PWA)	13 destinations : Ontario, Brandon, Montréal, Winnipeg et Pittsburgh	19 avions non réactés
Frontier Air (100% des actions détenues par Ontario Express)	20 destinations : Ontario et Winnipeg	11 avions non réactés
Calm Air (45% des actions détenues par PWA)	24 destinations : Manitoba et Territoires du Nord-Ouest	15 avions non réactés
Time Air (46% des actions détenues par PWA)	35 destinations : C.-B., Alberta, Saskatchewan et Yukon; Minneapolis, Seattle et Winnipeg	3 avions à réaction 28 avions non réactés

GRAPHIQUE 3.1
LIAISONS AIR CANADA



Transporteur	Réseau	Flotte
Air Canada	66 destinations : dans toutes les provinces, É.-U., Antilles, Europe, Asie du Sud-Est et Venezuela	115 avions à réaction
Air Nova (49% des actions détenues par Air Canada)	14 destinations : Terre-Neuve, Nouvelle-Écosse, Île du Prince-Édouard et Nouveau-Brunswick; Boston, Montréal, Ottawa et Québec	4 avions à réaction 9 avions non réactés
Air Alliance (75% des actions détenues par Air Canada)	11 destinations au Québec; Ottawa et Boston	9 avions non réactés
Air Ontario (75% des actions détenues par Air Canada)	14 destinations en Ontario; Montréal, Winnipeg, Cleveland, Detroit et Harford	17 avions non réactés
Air Toronto (partage de codes de vol avec Air Canada)[1]	Service entre Toronto et 10 villes du nord-est des États-Unis	10 avions non réactés
AirBC (85% des actions détenues par Air Canada)	26 destinations en C.-B. et en Alberta; Seattle	5 avions à réaction 26 avions non réactés
NWT Air (90% des actions)	8 destinations dans les Territoires du Nord-Ouest; Calgary, Edmonton et Winnipeg	2 avions à réaction 6 avions non réactés

1 En avril 1990, Air Canada annonçait une entente de principe avec Soundair Corp. pour l'achat d'Air Toronto.

TABLEAU 3.1
Permis d'exploitation de services de transport aérien

	1988		1989	
Permis intérieurs				
Sud du Canada		782		846
Nord du Canada		849		957
Services réguliers	102		129	
Services sur demande	747		828	
Permis internationaux				
De transporteurs canadiens		532		649
Services réguliers	87		116	
Services sur demande	445		533	
De transporteurs étrangers		943		1 060
Services réguliers	105		123	
Services sur demande	838		937	
TOTAL		**3 106**		**3 512**

Les grands transporteurs et leurs affiliés

Les grands transporteurs ont concentré leurs efforts surtout sur les liaisons intérieures et internationales de longue distance tandis que leurs affiliés régionaux ont continué à élargir le cadre de leurs opérations.

Au cours de l'année, les grandes compagnies aériennes au Canada se sont efforcées de consolider leur position concurrentielle sur les marchés intérieurs et internationaux.

La solide croissance projetée de la demande de transport **international**, conjuguée avec le mouvement mondial de déréglementation et de privatisation des lignes aériennes, ont mené à la formation de réseaux aériens à l'échelle mondiale, s'inscrivant dans la tendance actuelle vers la mondialisation. Pour des compagnies importantes comme Air Canada et Canadien, l'établissement d'alliances avec d'autres grands transporteurs internationaux s'impose comme une stratégie leur permettant de concurrencer les nouveaux mégatransporteurs internationaux et de prendre de l'expansion sur les marchés internationaux lucratifs.

En 1989, Air Canada a renforcé son réseau d'alliances avec d'autres grandes lignes aériennes, lequel comprend maintenant : Cathay Pacific, Singapore Airlines, Air New Zealand, Austrian Airlines, Trans World Airlines et Royal Jordanian Airlines. Elle a également ajouté six destinations européennes à son réseau, soit Lisbonne, Madrid, Nice, Zagreb, Birmingham et Athènes, et elle prévoit prendre de l'expansion sur le marché du Pacifique.

Canadien a établi des liens avec Air France, la compagnie allemande Lufthansa, Japan Air Lines, Scandinavian Airlines et Midway Airlines et elle a enrichi son réseau de plusieurs nouvelles destinations, notamment Londres, Manchester, Paris, San Juan, toutes d'anciennes liaisons de Wardair, Copenhague et Nagoya (Japon). D'autres dispositions ont été prises afin de relier le système informatisé à propriété conjointe de réservations Gemini, avec le système mondial Apollo qui est actuellement en phase de développement en vue d'être utilisé par un consortium formé de grandes lignes aériennes américaines et européennes.

Sur le plan **intérieur**, les marchés canadiens approchent de l'étape de la maturité et offrent un potentiel de croissance moindre, si bien que les transporteurs mettent davantage l'accent sur l'amélioration de l'efficacité de leurs opérations déjà bien établies. L'évolution des deux grands groupes de transporteurs, l'un dirigé par Air Canada et l'autre par Canadien, s'est poursuivie en 1989, laissant un rôle plus important aux affiliés régionaux. Cependant, cette tendance a été reléguée dans l'ombre par deux événements qui ont secoué tout le secteur canadien des transports aériens, mais plus particulièrement le groupe Canadien.

En janvier 1989, PWA, la compagnie-mère de Canadien, a annoncé une entente pour l'acquisition de Wardair, alors en difficulté, mettant ainsi un terme aux efforts soutenus déployés par cette dernière pour s'implanter comme troisième grand transporteur des services réguliers. Au départ, PWA a déclaré qu'elle entendait poursuivre l'exploitation de Wardair comme entité distincte, mais, après plusieurs mois de lourdes pertes, elle a décidé de fusionner la compagnie avec Canadien et d'en vendre le reste de la flotte.

Cette fusion n'était pas sitôt annoncée que l'affilié régional de Canadien au Québec, Inter-Canadien, faisait part de son intention de se retirer de l'entente commerciale le liant à Canadien et de poursuivre ses activités comme entité indépendante sous le nom de Lignes aériennes Intair, desservant 39 destinations au Québec et dans les quatre provinces avoisinantes.

Entre temps, l'associé de Canadien dans la région de l'Atlantique, Air Atlantic, avait plus que doublé sa flotte, ajouté de nouvelles liaisons transfrontalières avec la

Performance financière des transporteurs

Air Canada a enregistré des bénéfices records de 149 millions de dollars, ce qui s'explique en grande partie par la vente de ses avoirs dans le groupe Guiness Peat Aviation. Par ailleurs, la fusion de Wardair et de Canadien s'est soldée par une perte d'exploitation pour PWA.

RÉFORME DE LA RÉGLEMENTATION

Loi de 1987 sur les transports nationaux

La LTN 1987 a réduit considérablement le fardeau de la réglementation économique dans le sud du Canada, a assoupli quelque peu la réglementation concernant le Nord et a laissé pour ainsi dire intacte celle afférente aux services aériens internationaux.

L'entrée sur le marché n'est plus régie par le critère de la commodité et de la nécessité publiques. Dans le sud du Canada, le requérant doit détenir un certificat d'exploitation, avoir une assurance-responsabilité suffisante et être canadien. Les permis délivrés pour cette région ne peuvent plus être assortis de restrictions. Quant aux régions du Nord, il incombe, à quiconque veut s'opposer à l'octroi d'un permis, de démontrer que celui-ci ne devrait pas être accordé.

Il suffit désormais d'un préavis public de 120 jours pour se retirer du marché des services intérieurs.

Les tarifs intérieurs ne doivent plus être déposés mais seulement publiés. Le contrôle réglementaire des tarifs se limite aux liaisons du Nord et aux liaisons monopolistiques du Sud. Des contrats confidentiels peuvent désormais être négociés entre les transporteurs et les passagers ou expéditeurs pour les services aériens intérieurs.

STRUCTURE DE L'INDUSTRIE

Transporteurs et permis

À la fin de 1989, près de 1 900 transporteurs détenaient plus de 3 500 permis d'exploitation de services aériens intérieurs ou internationaux.

Transporteurs

Au cours de l'année, l'Office a délivré des permis à 80 nouveaux transporteurs intérieurs. De ce nombre, 54 ont été autorisés à offrir des services en provenance, à destination et à l'intérieur du nord du Canada.

À la fin de 1989, on comptait 858 transporteurs intérieurs autorisés, ce qui était encore loin des 1 250 détenteurs de permis dénombrés à la fin de 1987. Avec la réforme, on a cessé d'exiger un permis pour les 350 transporteurs qui fournissaient divers services spécialisés de transport aérien, notamment des services à contrat ou de formation au pilotage. De plus, 150 autres transporteurs, généralement inactifs, ne répondaient plus aux critères de renouvellement des permis, exigeant du requérant d'être « prêt, apte et disposé ».

Il y a également eu 21 abandons volontaires de permis, quatre propositions de fusion ou d'acquisition, la plus importante étant celle de Wardair par PWA, et trois déclarations de faillite, soit celles de Holidair, Minerve Canada et Aviation Lac St-Augustin Enrg.

En 1989, 938 transporteurs étrangers, soit 38 de plus que l'année précédente, offraient des services au Canada.

Permis

À la fin de 1989, les transporteurs canadiens détenaient 1 803 permis intérieurs, contre 1 631 l'année précédente. De ce nombre, 846 portaient sur des services aériens offerts dans le sud du Canada, alors que 957 autorisaient leurs détenteurs à assurer des services en provenance, à destination et à l'intérieur de la région désignée du Nord.

Le nombre de permis internationaux détenus par des transporteurs tant canadiens qu'étrangers est passé de 1 475 en 1988 à 1 709 en 1989. Le tableau 3.1 présente une répartition des permis.

LES SERVICES AÉRIENS

FAITS SAILLANTS DE 1989

Réseaux de transporteurs affiliés

L'évolution des deux familles de transporteurs, celle d'Air Canada et celle des Lignes aériennes Canadien international, s'est poursuivie en 1989, et la croissance a été vigoureuse chez les affiliés régionaux. Ces lignes aériennes ont donné de l'expansion à leurs opérations, ajoutant des avions à réaction à leur flotte et prenant en charge d'autres liaisons des compagnies-mères.

Wardair

En janvier, pour environ 250 millions de dollars, PWA a fait l'acquisition de Wardair qui était alors en difficulté. Après des efforts infructueux pour poursuivre l'exploitation de la compagnie comme une entité distincte, PWA a décidé de la fusionner avec Canadien et d'en vendre la flotte.

Intair

Intair, connu auparavant sous le nom d'Inter-Canadien, a rompu les liens qui l'unissaient au groupe Canadien pour devenir un transporteur indépendant. Elle a déployé sa flotte mixte moderne sur un vaste réseau dans l'est du Canada et elle souhaite acquérir une part du marché dans le couloir Toronto-Ottawa-Montréal.

Tarifs

La plupart des tarifs aériens ont été à la hausse en 1989, car les compagnies ont essayé de rétablir leur situation après la guerre coûteuse de prix qu'elles s'étaient livrée l'année précédente. Néanmoins, près des deux tiers des passagers ont continué à profiter de tarifs réduits. Les fréteurs sur les liaisons intérieures de longue distance, sont les transporteurs qui ont offert les meilleurs prix.

que celui de l'est du Canada est transporté surtout par camion.

L'excédent commercial du Canada au chapitre des marchandises a été réduit de moitié en 1989. L'essentiel de ce recul s'explique par un excédent commercial plus faible avec les États-Unis. Les exportations de véhicules automobiles représentant le tiers du commerce bilatéral de marchandises entre le Canada et les États-Unis, la baisse des ventes de voitures et de pièces a été une cause importante de la diminution de notre excédent commercial. Cette industrie fait appel aux services de transport routier et ferroviaire. Les exportations de produits forestiers ont augmenté, alors que les prix ont été à la baisse. Les produits des métaux ont atteint un niveau record en dépit d'une chute brutale des prix. Les minerais vendus aux États-Unis sont acheminés surtout par camion, mais aussi par chemin de fer et par bateau. La production pétrolière intérieure a diminué, ce qui a fait baisser le surplus commercial pour les produits énergétiques. Les revenus tirés du gaz naturel ont augmenté en raison de l'impact de la demande plus forte des marchés américains.

Pour ce qui est des services, la demande élevée des voyageurs canadiens pour des services de transport international, stimulée par une devise plus forte, a entraîné une diminution marquée au chapitre des voyages à l'intérieur du Canada.

CONJONCTURE INTERNATIONALE

Les principaux partenaires commerciaux du Canada, notamment les États-Unis, rapportent une croissance plus modérée.

En 1989, la conjoncture mondiale s'est révélée un peu moins favorable qu'au cours des années précédentes. La croissance économique réelle dans les sept plus grandes économies industrielles est restée forte; mais elle est cependant entrée dans une phase de ralentissement. Les investissements non résidentiels des entreprises sont demeurés le moteur de la croissance de chacun de ces sept pays. Parallèlement, les dépenses de consommation ont ralenti et la croissance de la demande intérieure aux États-Unis est demeurée nettement inférieure à celle de ses principaux partenaires commerciaux. L'inflation a continué d'augmenter dans les pays du groupe des sept.

demande. Les augmentations des principaux éléments de l'IPC en 1989 ont varié entre 3,7 p. 100 pour les denrées alimentaires et 9,3 p. 100 pour les produits du tabac et les boissons alcoolisées. Parmi les hausses supérieures à la moyenne, notons celle de 5,3 p. 100 du logement, tandis que les taux observés de 4,1 p. 100 pour le vêtement et de 4,4 p. 100 pour les loisirs, la lecture et l'éducation, indiquent des augmentations inférieures à la moyenne.

Au cours du deuxième semestre de 1989, la tendance à la baisse s'est maintenue en ce qui a trait aux prix des produits industriels et des matières premières pour lesquelles les augmentations annuelles n'ont été respectivement que de 0,2 et 0,4 p. 100. Les prix de la plupart des métaux de base ont fléchi, les baisses les plus notables ayant été celles du cuivre et du nickel. Les variations de prix de certains produits destinés à l'exportation, comme le papier et les automobiles, ont été limitées par l'augmentation du taux de change entre les devises canadienne et américaine et la faiblesse de la demande aux États-Unis. Le prix de la construction d'immeubles non résidentiels au Canada a progressé de 6,8 p. 100 alors que celui des facteurs de production en agriculture s'est accru de 2,9 p. 100. Les prix de l'énergie, l'un des principaux intrants dans le secteur des transports, ont augmenté en 1989 de 7,3 p. 100.

ÉCONOMIES RÉGIONALES

Ralentissement de l'activité dans le Canada central et dans la région de l'Atlantique et performance supérieure à celle des autres régions dans l'ouest du Canada.

Les forces et les faiblesses des activités régionales dans le secteur des transports peuvent s'expliquer par la performance des économies régionales.

En 1989, l'économie de la Colombie-Britannique a été soutenue par d'importants investissements et des dépenses élevées de consommation à la faveur d'une solide croissance de l'emploi, de gains salariaux réels et de la croissance démographique. Le nombre des mises en chantier a été supérieur aux prévisions. En Alberta, l'économie a souffert d'un ralentissement des activités de forage, mais elle a profité d'une forte demande pour le gaz naturel, d'investissements substantiels dans le secteur des pâtes et papiers, en croissance dans cette région, de fortes dépenses de consommation et d'un marché du logement vigoureux. Compte tenu de l'importance de l'agriculture dans l'économie de la Saskatchewan, le rétablissement du rendement des récoltes en 1989 a été inférieur aux prévisions initiales. Par contre, la diminution de la population et l'incertitude face aux récoltes ont eu une incidence sur les dépenses de consommation ainsi que sur le marché du logement. L'économie manitobaine a été beaucoup plus vigoureuse en 1989, grâce à de meilleures récoltes, à une hausse de l'emploi et à une augmentation des dépenses de consommation.

Le ralentissement économique qu'a connu l'Ontario en 1989 émane principalement du secteur du logement. Quant à l'économie québécoise, sa performance n'a pas été à la hauteur des attentes, le marché du logement ayant été particulièrement faible alors que l'investissement non résidentiel a été vigoureux.

L'économie du Nouveau-Brunswick a été plus forte que prévu en 1989, en raison d'un accroissement des investissements. Exception faite d'Halifax, la plupart des régions de la Nouvelle-Écosse ont vu leur économie s'affaiblir, les secteurs les plus importants, soit ceux des pêches, mines et forêts, étant en butte à des difficultés. La croissance économique de l'Île du Prince-Édouard et de Terre-Neuve a également connu un ralentissement en 1989.

COMMERCE EXTÉRIEUR

L'appréciation du dollar canadien a eu une forte incidence sur les importations et les exportations.

Plus du quart de l'activité économique du Canada est lié au commerce extérieur, avec les États-Unis comme principal partenaire commercial. Il est essentiel que le Canada soit doté de services de transport internationaux et transfrontaliers efficaces tant avec les États-Unis qu'avec les autres pays pour ses échanges commerciaux avec le reste du monde.

La faible croissance de la demande intérieure aux États-Unis et la force du dollar canadien ont rendu les exportations canadiennes moins concurrentielles. Les exportations se sont accrues mais les importations ont progressé à un taux supérieur.

Les entreprises canadiennes ont continué d'investir, ce qui a fait augmenter les importations en équipement et en outillage. Les exportations ont également souffert de la mauvaise récolte de blé en 1988 et d'une diminution des expéditions de bois d'œuvre attribuable à la baisse du nombre de mises en chantier aux États-Unis. Les exportations de blé nécessitent à la fois des services de transport maritime, ferroviaire et routier. Le bois de la Colombie-Britannique est exporté aux États-Unis surtout par chemin de fer, alors

DÉPENSES DE CONSOMMATION

Les dépenses de consommation ont fléchi en 1989.

Des mesures visant à stimuler les dépenses de consommation telles que des remboursements d'impôt plus importants résultant de la réforme fiscale et les programmes incitatifs d'achat de voitures, n'ont pas eu un effet soutenu tout au cours de l'année. Alors que, dans l'ensemble, les dépenses de consommation ont plafonné, les dépenses au titre des services ont progressé à un rythme continu. Cependant, pour la première fois depuis la fin de 1986, on a noté une baisse des dépenses d'hôtels et de restaurants, situation qui reflète les tendances observées dans les déplacements interurbains en 1989.

La croissance du revenu personnel a ralenti, freinée par une augmentation plus lente des revenus d'intérêt et d'investissement. Le revenu personnel disponible a atteint un niveau comparable à celui de 1988. Toutefois, l'augmentation du taux d'épargne, observée depuis 1987, s'est maintenue, fait qui s'explique par une baisse de la confiance des consommateurs et par des taux d'intérêt plus élevés. Cette situation a amené les consommateurs à reporter des dépenses discrétionnaires importantes, y compris celles reliées aux voyages.

LOGEMENT

Tout au long de 1989, la demande de logement est restée vigoureuse malgré des taux d'intérêt élevés et des prix généralement à la hausse sur la plupart des marchés au Canada. Le grand nombre de mises en chantier s'explique par une activité plus intense au niveau de la construction domiciliaire à l'extérieur du Canada central, notamment en Colombie-Britannique et en Alberta. Les variations, au cours de l'année, des taux d'intérêt sur les hypothèques ont été un facteur déterminant dans les fluctuations de la demande de logement.

INVESTISSEMENTS DES ENTREPRISES

La croissance des investissements des entreprises au Canada s'est accrue en 1988. Le boom dans l'investissement s'est poursuivi en 1989, soutenu par deux années de forte augmentation des bénéfices des sociétés, un taux élevé d'utilisation de la capacité de production dans la majorité des industries de fabrication, un apport soutenu d'investissements étrangers, notamment en provenance de l'Extrême-Orient, et un regain de confiance chez les investisseurs, suscité par l'Accord de libre-échange entre le Canada et les États-Unis. Un écart marqué dans le rendement des investissements au Canada par rapport à celui des investissements aux États-Unis, en Allemagne et au Japon, explique également cet apport important de capitaux.

Il y a eu ralentissement de la construction commerciale et le niveau des investissements dans l'équipement et l'outillage a fléchi. La croissance des bénéfices a été freinée de façon significative par la hausse des coûts de main-d'œuvre et des taux d'intérêt.

INDUSTRIES DE FABRICATION

La faiblesse des marchés du papier journal (qui dépend largement du chemin de fer mais qui utilise également le transport routier), la chute des prix des papiers fins aux États-Unis et le raffermissement de la devise canadienne, ont contribué à la baisse des bénéfices de la plupart des sociétés intégrées du secteur forestier.

Les marchés des métaux de base ont également subi les contrecoups du ralentissement de la production automobile aux États-Unis, du faible nombre de mises en chantier dans le secteur non résidentiel aux États-Unis et du fléchissement anticipé des investissements internationaux des entreprises.

INFLATION

Les pressions sur les coûts se sont intensifiées en 1989.

L'inflation a des répercussions sur les prix, les coûts et les recettes des activités de transport.

Les augmentations de l'indice des prix à la consommation (IPC) ont été plus fortes au cours des derniers mois de 1988 et du premier semestre de 1989. Les effets sur l'inflation du resserrement des marchés du travail et des produits ont été en grande partie camouflés en 1988 par l'appréciation du dollar canadien et la baisse des cours mondiaux du pétrole. Cependant, en 1989, certains de ces facteurs favorables ont été inversés.

Le taux d'inflation, mesuré d'après l'IPC, est passé de 4,1 p. 100 en 1988 à 5 p. 100 en 1989. L'augmentation de 1989 a été la plus forte depuis celle de 5,8 p. 100 observée en 1983. Cette nouvelle accélération de l'inflation a été liée à la pression de la

LA PERFORMANCE DE L'ÉCONOMIE CANADIENNE EN 1989

La croissance économique a une incidence directe sur les activités de transport. Les effets sont plus ou moins marqués selon les modes de transport et dépendent des secteurs de l'économie qui ont connu les plus grands changements.

Le niveau d'activité dans les transports varie donc selon les fluctuations de l'économie et subit l'influence de variables telles que le coût, le niveau de service, la commodité et la sécurité. Il sera question de ces variables dans d'autres sections du rapport.

La présente section propose une analyse de l'évolution de l'économie canadienne en 1989, laquelle explique en partie certaines observations formulées ailleurs dans le rapport.

CROISSANCE - FAITS SAILLANTS

En 1989, il y a eu un ralentissement de la croissance au Canada.

L'Accord de libre-échange entre le Canada et les États-Unis a constitué l'événement marquant de la politique économique en 1989.

La croissance économique s'est poursuivie en 1989 à un rythme modéré (soit 2,9 p. 100 contre 4,5 p. 100 en 1988). On a observé un net changement dans la composition de cette croissance, se traduisant par un ralentissement notable de l'augmentation de la demande intérieure au cours du deuxième semestre. Ce ralentissement s'explique par une baisse des dépenses de consommation et un niveau plus faible d'investissement dans l'équipement et l'outillage.

l'Association canadienne des meuniers
l'Association canadienne des producteurs de pâtes et papiers
l'Association canadienne du gaz propane
l'Association charbonnière canadienne
l'Association des commissaires industriels du Québec
l'Association des exportateurs canadiens
l'Association des importateurs canadiens
l'Association des manufacturiers canadiens
l'Association des manufacturiers de bois de sciage du Québec
l'Association minière du Canada
l'Association minière du Québec
le Conseil canadien du commerce de détail
le Conseil des expéditeurs canadiens
le Conseil des industries forestières de la Colombie- Britannique
le Conseil horticole canadien
les Fabricants canadiens de produits alimentaires
l'Institut canadien des engrais
la Ligue canadienne de transport industriel
la Ontario Petroleum Association
la Société des fabricants de véhicules à moteur
Sultran

Dans le cadre de l'enquête effectuée auprès des expéditeurs en 1989, les conférences maritimes ont également été invitées à répondre au questionnaire en qualité d'usagers des services de transport de surface.

b) trois enquêtes sur le transport aérien effectuées auprès des membres de l'Association des voyageurs de commerce du Canada (AVCC), des agents de voyage de l'Alliance canadienne des associations touristiques (ACAT) et auprès de représentants de collectivités et de bandes indiennes des régions septentrionales.

c) dans le secteur maritime, deux enquêtes sur des questions liées à la LDCM, l'une adressée aux conférences maritimes desservant les grandes voies commerciales canadiennes et l'autre, aux transitaires. En outre, une enquête a été menée auprès des collectivités septentrionales, des bandes indiennes, des gouvernements fédéral et territoriaux et des entreprises du Nord au sujet des services de réapprovisionnement des réseaux de l'Athabasca et du Mackenzie.

d) un examen des services de camionnage : un vaste programme d'entrevues a permis de rejoindre plus de 130 transporteurs routiers ainsi que des associations provinciales, régionales et nationales de camionnage, des commissions provinciales de délivrance de permis, des ministères des transports et des commissions tarifaires. Une enquête a également été menée auprès des voituriers-remorqueurs.

e) une enquête auprès des transporteurs sur les services accessibles aux personnes atteintes de déficience.

- **Consultations**

On a procédé à de nombreuses consultations auprès des expéditeurs, des transporteurs, des fonctionnaires provinciaux et territoriaux, des associations industrielles, des groupes de consommateurs et d'usagers, des exploitants de terminaux portuaires et d'autres parties intéressées, afin de recueillir leurs opinions et de plus amples informations sur les questions précises abordées dans le cadre de l'examen.

- **Étude confiée à la CTPA**

La Commission des transports des provinces de l'Atlantique (CTPA) a réalisé, à contrat avec l'Office, une étude d'impact de la réforme législative dans les provinces de l'Atlantique.

- **Évaluation faite par des parties intéressées**

L'examen tient également compte des mémoires soumis par des parties intéressées ayant trait à l'évaluation qu'elles font de l'incidence de la réforme législative jusqu'à ce jour ou à des questions qui, à leur avis, mériteraient d'être étudiées.

Ministre puisse s'inspirer des sujets qui y sont abordés pour recommander des réorientations.

La LTN 1987 identifie plusieurs aspects particuliers devant être pris en considération :

- l'évolution des prix et des niveaux de service offerts aux expéditeurs et aux voyageurs;
- les changements dans la structure, la performance et les niveaux d'emploi de l'industrie des transports;
- l'efficacité de l'Office dans le traitement des plaintes, des demandes et des autres requêtes qui lui sont présentées;
- l'incidence des prix de ligne concurrentiels sur les compagnies ferroviaires;
- l'abandon de lignes de chemin de fer;
- toute autre question dont le Ministre peut confier l'étude à l'Office (le Ministre n'en a soumis aucune pour l'examen de 1989).

Dans le cadre de ces examens, l'Office doit tenir compte de la politique nationale des transports selon laquelle il faut doter le Canada « ... d'un réseau sûr, rentable et bien adapté de services de transport viables et efficaces... ». Il lui faut également considérer les questions qui, aux termes de la Loi, devront être abordées dans l'examen exhaustif de 1992.

PORTÉE DU DEUXIÈME EXAMEN

Le deuxième examen annuel, tout comme le premier, porte sur tous les modes de transport de compétence fédérale et sur les aspects particuliers de la Loi énumérés ci-haut. Les services de transport de voyageurs et de marchandises sont examinés, à l'exception des services voyageurs par chemin de fer et par autocar interurbain. L'examen tient compte du point de vue du gouvernement, de l'industrie privée et du public sur une foule de questions, dont les politiques nationales et provinciales, les questions d'exploitation, celles qui ont trait aux transporteurs et aux usagers et, enfin, les questions réglementaires, institutionnelles et financières.

CADRE DE LA PROCÉDURE D'EXAMEN

L'examen s'appuie sur les données recueillies auprès de nombreuses sources d'information des secteurs public et privé, complétées par un vaste programme d'enquêtes.

Dans le cadre du second examen annuel, le personnel de l'Office a utilisé les critères d'enquête établis lors du premier examen pour obtenir des informations sûres et complètes. Dans certains secteurs, le champ d'enquête a été élargi selon les possibilités.

L'ensemble des données du deuxième examen provient de cinq sources principales :

- **Données des institutions**

Au nombre des ministères et organismes du gouvernement qui ont été consultés, figurent Statistique Canada, Transports Canada, Consommation et Corporations Canada, Travail Canada, le Conseil canadien des relations de travail, Investissement Canada, le Bureau du Surintendant des faillites, Ports Canada, le Bureau canadien de la sécurité aérienne et l'Office national des transports.

- **Programme d'enquêtes de l'Office**

Le programme d'enquêtes de l'Office, mis en œuvre lors du premier examen afin de pallier le manque d'information courante sur les usagers des services de transport et sur certaines activités de ce secteur, a été repris en 1989 et son champ d'application élargi. Les questionnaires ont été révisés et modifiés; on en a parfois étendu la portée.

De façon générale, les taux de réponse étant élevés, les opinions exprimées sont représentatives de l'industrie. Les données tirées de ces enquêtes constituent une des bases de l'analyse inhérente au présent examen. L'annexe A fait état de certains aspects des enquêtes, eu égard à l'échantillon, au taux de réponse et, dans la mesure du possible, à la ventilation régionale.

Le programme d'enquêtes de l'Office comporte les éléments suivants :

a) une enquête auprès des expéditeurs portant sur les divers modes de transport, réalisée en collaboration avec les associations suivantes :

   l'Association canadienne des fabricants de produits chimiques

INTRODUCTION

EXAMENS ANNUELS

Pendant quatre ans, l'Office national des transports doit examiner l'application de la nouvelle législation sur les transports et présenter annuellement un rapport au Ministre.

Une des dispositions importantes de la nouvelle législation sur les transports concerne l'obligation de faire un examen annuel de son incidence sur les transports au Canada. Ces examens visent notamment à renseigner le gouvernement sur les problèmes qui pourraient se poser.

La *Loi de 1987 sur les transports nationaux* (LTN 1987), la *Loi de 1987 sur les transports routiers* (LTR) et la *Loi dérogatoire de 1987 sur les conférences maritimes* (LDCM) constituent la nouvelle législation canadienne en matière de transport. Celle-ci vise, entre autres objectifs clés, à favoriser un environnement plus dynamique et plus compétitif pour les services de transport au moyen d'un allégement de la réglementation économique, à mettre en place un réseau de transport répondant aux besoins des expéditeurs et des voyageurs et, enfin, à contribuer à l'expansion économique dans toutes les régions du pays.

En vertu de la LTN 1987, l'Office est tenu de procéder à un examen annuel de la situation pour les années 1988 à 1991. Le rapport de l'Office sur chaque examen annuel doit être soumis au ministre des Transports au plus tard le 31 mai de l'année suivante visée par le rapport. Le Ministre doit ensuite déposer le document devant la Chambre des communes et le Sénat dans les 15 jours de séance suivants. Une fois déposé, le rapport est rendu public. En 1992, on procédera à un examen exhaustif portant sur toute la période écoulée depuis l'entrée en vigueur de la Loi.

MANDAT DE L'EXAMEN ANNUEL

Dans le cadre de l'examen annuel, l'Office a uniquement pour mandat d'étudier et de faire rapport sur les aspects précisés dans la LTN 1987 reliés à la réglementation économique des transports. L'examen n'est pas un document de politique, bien que le

besoins en négociant des contrats ou en utilisant des appels d'offre pour choisir leur transporteur. Le succès soutenu des contrats confidentiels du côté des services ferroviaires illustre bien cette nouvelle situation.

Les termes et conditions des services de transport négociés par une entreprise dans toute industrie donnée s'avèrent l'un des facteurs déterminant la compétitivité relative de cette entreprise dans le marché. Il s'ensuit que les détails ayant trait aux services de transport utilisés sont considérés comme une information privilégiée rendant compte de leur situation commerciale et tant les usagers que les transporteurs s'efforcent de protéger cette information afin de préserver leur position concurrentielle.

TRANSPORT INTERMODAL

L'intégration des services entre les divers modes de transport, devient de plus en plus importante pour répondre aux besoins des expéditeurs canadiens. Bien que la concurrence soit inhérente au transport intermodal, il existe, entre les divers modes, une complémentarité telle que chacun a avantage à ce que les autres soient en santé. Plus du tiers des expéditeurs ayant répondu à l'enquête de l'Office en 1989, ont déclaré faire appel aux services de transport intermodal pour expédier en moyenne environ le cinquième de leur trafic. La mise au point de forfaits de transport, alliant les services de deux modes de transport ou plus, permet d'exploiter les avantages propres à chaque mode, d'améliorer le service, de réduire les coûts, de maximiser l'efficacité et la souplesse des services pour les expéditeurs et les usagers.

CONTINENTALISATION DES MARCHÉS

Les tendances vers une orientation nord-américaine des activités de transport se sont poursuivies en 1989.

La libéralisation des services aériens en Amérique du Nord demeure soumise aux accords bilatéraux entre le Canada et les États-Unis. Les deux pays s'entendent pour dire qu'il y a lieu de libéraliser davantage leurs relations bilatérales dans le transport aérien et ils se proposent d'œuvrer à la réalisation de cet objectif.

Dans le secteur ferroviaire, des services récemment inaugurés de transport par wagon à deux niveaux et l'emphase accrue sur les liaisons nord-sud attestent de cette tendance à la continentalisation des services destinés à répondre aux besoins des expéditeurs ferroviaires.

Dans le camionnage, des transporteurs américains et canadiens ont acquis des intérêts de l'autre côté de la frontière. Pour les entreprises canadiennes de camionnage, ces décisions ont été justifiées par les différences entre les deux pays dans les frais d'exploitation mais elles leur permettent une plus grande efficacité dans leur desserte des marchés intérieur et transfrontalier.

Les compagnies de transport maritime considèrent le Canada et les États-Unis comme un marché unique et conséquemment adaptent leurs activités selon l'offre et la demande sur l'ensemble du marché nord-américain.

Cette tendance vers une intégration plus poussée du secteur des transports en Amérique du Nord suscite des réactions diverses mais généralement positives. Les expéditeurs, les transporteurs et les exploitants de terminaux qui espèrent profiter de cette évolution, prévoient élargir leurs débouchés et percer de plus grands marchés. D'autres voient dans cette évolution, une menace à la survie de leur entreprise et préconisent des mesures protectionnistes pour contrer cette éventualité.

Compte tenu de cette évolution, il importe que le contexte opérationnel, institutionnel et réglementaire des transports soit en harmonie avec celui des pays partenaires commerciaux de façon à assurer une utilisation optimale des ressources du secteur des transports.

Le marché des transports connaît de grandes transformations découlant de la réforme de la réglementation et d'autres facteurs comme l'allégement et l'abolition des barrières commerciales. Par leur action combinée, ces facteurs modifient le réseau canadien de transport de façon à l'adapter aux besoins des années 1990 des expéditeurs et des voyageurs.

expéditeurs et certaines autres données démontrent que la hausse des tarifs a été freinée par la concurrence.

- Dans le secteur du camionnage, les tarifs sont demeurés généralement stables en 1989 en dépit de la forte concurrence dans certains marchés transfrontaliers des services de camionnage de charges complètes.
- Les taux de fret des services d'approvisionnement dans le delta du Mackenzie et dans l'ouest de l'Arctique, ont augmenté de 3 p. 100 (hausse identique à celle de 1988), mais les fortes hausses dans le réseau de l'Athabasca ont été source d'inquiétude pour les expéditeurs de cette région.

Exception faite des transports par eau, les frais de main-d'œuvre, dans les entreprises de services de transport, ont augmenté moins rapidement que dans ceux de l'ensemble de l'économie. Cependant, les transporteurs sont généralement d'avis qu'ils sont allés aussi loin qu'ils le pouvaient dans leurs initiatives de réduction de prix.

SERVICES

La majorité des usagers interrogés croient que les services de transport offerts en 1989 sont soit demeurés inchangés ou se sont améliorés par rapport à l'année précédente.

- Dans le secteur des transports aériens, on constate qu'il y a eu, en 1989, une légère baisse dans le niveau de service en raison principalement de la faiblesse de l'économie. Cependant, les niveaux de service offerts en 1989 étaient plus élevés que ceux de 1987 et de beaucoup supérieurs à ceux prévalant en 1983, année qui a précédé la réforme de la réglementation des transports aériens.
- Les deux grands transporteurs canadiens, Air Canada et Canadien, ont continué de se retirer des petits marchés intérieurs pour concentrer leurs activités sur les routes intérieures de longue distance, et les liaisons transfrontalières et internationales. De façon générale, les localités qui ne sont plus desservies par les grands transporteurs ont dorénavant accès à un plus grand choix de vols offerts à partir d'appareils mieux adaptés à ce type de marché à faible densité.
- Malgré qu'un certain nombre de transporteurs fréteurs entrés assez récemment sur le marché aient fait faillite, la disponibilité de services de transport à bas prix est demeurée la même.
- D'après les enquêtes de l'Office, les expéditeurs se disent généralement satisfaits des services de transport ferroviaire et de camionnage fournis en 1989.

Des changements d'ordre structurel incluant des fusions, acquisitions, affiliations et même des faillites, ont été signalés au cours de l'année. De manière générale, ils ont fort peu perturbé les services et ont entraîné très peu d'ennuis aux usagers.

ACTIVITÉS DE TRANSPORT

En 1989, les transporteurs n'ont pu maintenir les hauts niveaux de trafic des deux années précédentes. Ils ont cherché à amenuiser l'impact de ces baisses de trafic en introduisant diverses mesures de compression de coûts. Il y a eu également dans tous les modes de transport, l'annonce d'un certain nombre d'investissements à long terme.

Malgré la mise en œuvre de l'Accord de libre-échange entre le Canada et les États-Unis, le volume des exportations canadiennes vers les États-Unis n'a pas augmenté de façon appréciable. Cet état de choses résulte d'un ralentissement de la croissance dans l'économie américaine et d'une compétitivité canadienne affaiblie par l'appréciation de 17,3 p. 100 depuis 1986 de la devise canadienne par rapport au dollar américain.

ENJEUX

Les grands enjeux auxquels a fait face l'industrie des transports au Canada, ont été axés sur les questions d'infrastructure. Ces questions concernaient la congestion à l'aéroport international Pearson et la capacité des systèmes de contrôle du trafic aérien, l'expansion du réseau routier national, l'importance des coûts d'utilisation des routes recouvrés auprès des usagers et la rationalisation des réseaux ferroviaires. Lorsque soulevées, ces questions ont été débattues du point de vue de leur incidence sur la compétitivité.

RELATIONS ENTRE TRANSPORTEURS ET USAGERS

Dans ce contexte plus concurrentiel, les expéditeurs sont de plus en plus à même d'obtenir des services de transport correspondant aux modalités de leurs

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En dépit d'un ralentissement de l'activité économique, les usagers des services de transport ont de nouveau bénéficié d'une concurrence vigoureuse au cours de la deuxième année de la réforme de la réglementation. Bien que tous les modes de transport aient subi davantage les pressions de la concurrence, des différences de nature et de degré ont été observées. Certains ont fait face à une concurrence accrue tandis que pour d'autres, les pressions sont venues de l'intérieur de leur propre mode.

Cependant, il s'avère prématuré, à ce stade-ci, de procéder à une évaluation finale de l'incidence de la réforme de la réglementation, pour les raisons suivantes :

- les expéditeurs en sont encore à apprendre à tirer pleinement profit des dispositions orientées vers les usagers dans la nouvelle législation;
- les transporteurs, eux, continuent de s'adapter au nouvel environnement concurrentiel;
- des événements s'étant produits en dehors du secteur des transports, tels que l'Accord sur le libre-échange entre le Canada et les États-Unis, sont en voie de modifier les besoins des usagers en matière de transport au Canada.

PRIX ET TARIFS

Les augmentations de prix et de tarifs observées dans le secteur des transports en 1989 ont été généralement inférieures au taux d'inflation. On rapporte deux exceptions : le tarif des classes Affaires et Économie dans les transports aériens et le taux de fret des services maritimes d'approvisionnement dans le réseau de l'Athabasca.

- Dans le secteur du transport aérien, les tarifs des classes Affaires et Économie ont augmenté à un rythme plus élevé que celui de l'indice des prix à la consommation. Cependant, près de deux passagers sur trois ont voyagé à tarif réduit et bénéficié d'un grand éventail de prix.
- Dans le secteur ferroviaire, les résultats de l'enquête que l'Office a menée auprès des

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Président
Office national des transports
du Canada

Chairman
National Transportation Agency
of Canada

L'honorable Doug Lewis, c.p., F.C.A., c.r., député
Ministre des Transports
Ottawa (Ontario)

Monsieur le Ministre,

Conformément à l'article 267 de la *Loi de 1987 sur les transports nationaux*, j'ai l'honneur de vous présenter sous ce pli le deuxième examen annuel de l'Office national des transports du Canada pour l'année terminée le 31 décembre 1989.

Veuillez agréer, Monsieur le Ministre, l'assurance de mes sentiments distingués.

Erik Nielsen

Erik Nielsen

Minister of Supply and Services Canada 1990
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